



# DHAMPURE SPECIALITY SUGARS LTD.

CIN : L24112UP1992PLC014478

**Dated: October 3, 2018**

**The BSE Limited (Bombay Stock Exchange)**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

**Scrip code: 531923**

**Sub: Annual Report of the Company for the Financial Year 2017-18**

**Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**



Dear Sir/ Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the Financial Year 2017—18

This is for your information and record.

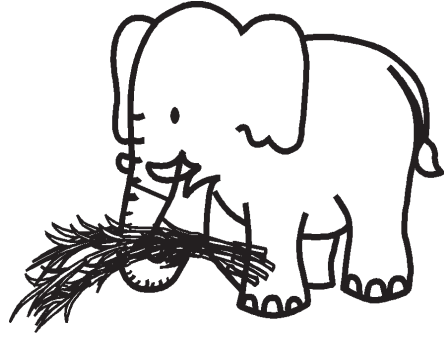
Thanking You

**For Dhampure Speciality Sugars Limited**

Harish Kr. Goswami  
Company Secretary

Encl: as above



**Dham*pure* Speciality Sugars Ltd.**

26th Annual Report  
2017 - 2018

[www.sugarindia.com](http://www.sugarindia.com)

# 26th ANNUAL REPORT

---



## YOUR GUIDE TO REPORT

<b>Contents</b>	<b>Page</b>
<b>Corporate Overview</b>	
Corporate Information	
<b>Management Reports</b>	
Notice	1
Director's Report	7
Management Discussion & Analysis	12
Certificate on Corporate Governance	24
CEO/CFO Certification	34
<b>Financial Statements</b>	
<b>Standalone Financial Statements</b>	
Auditor's Report	36
Balance Sheet	41
Profit & Loss Account	42
Cash Flow Statement	43
Notes to Financial Statements	44
<b>Consolidated Financial Statements</b>	
Auditor's Report	56
Balance Sheet	62
Profit & Loss Account	63
Cash Flow Statement	64
Notes to Financial Statements	65
Disclosure pursuant to Section 129(3) of companies Act, 2013	77

---

## CORPORATE INFORMATION

### **BOARD OF DIRECTORS**

#### **MR. SORABH GUPTA**

Chairman and Managing Director

#### **MR. MURLI MANOHAR**

Director (Independent)

#### **MR. DESHRAJ SINGH**

Director (Independent)

#### **MS. PRAVEEN SINGH**

(Woman) Director

### **AUDITORS**

M/S JLN US & CO.

### **CHIEF FINANCIAL OFFICER**

Mr. Ghanshyam Tiwari

### **COMPANY SECRETARY**

Mr. Harish Kr. Goswami

### **BOARD COMMITTEES**

#### **AUDIT COMMITTEE**

Mr. Deshraj Singh

Ms. Praveen Singh

Mr. Murli Manohar

### **NOMINATION AND REMUNERATION**

#### **COMMITTEE**

Mr. Mr. Deshraj Singh

Ms. Praveen Singh

Mr. Murli Manohar

### **INVESTOR GRIEVANCES CUM**

#### **STAKEHOLDER RELATIONSHIP COMMITTEE**

Mr. Mr. Deshraj Singh

Ms. Praveen Singh

Mr. Murli Manohar

### **REGISTRAR & SHARE TRANSFER AGENT**

#### **MAS Service Ltd.**

T-34, 2nd Floor, Okhla Industrial Phase-II,  
New Delhi – 110020

### **REGISTERED OFFICE & WORKS**

Villageth-Pallawala, Tehsil-Dhampur

Distt. – Bijnor(U.P) – 246761

E-mail: [investor@sugarindia.com](mailto:investor@sugarindia.com)

---

## NOTICE OF 26<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of the members of Dhampure Speciality Sugars Limited will be held on Thursday 27<sup>th</sup> September, 2018 at 2.00 P.M at the registered office of the Villageteh Pallawala Tehsil Dhampur, Bijnor-246761, Uttar Pradesh.

To transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2018, the report of the Board of Directors and Auditor thereon.
2. To re-appoint Mrs. Praveen Singh (DIN 07145827) who retire by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

3. Ratification of Appointment of M/s JLN US & CO., Chartered Accountants (Firm Registration No. 101543W), as Statutory Auditors of the Company

To consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to approval of Members in the Twenty Fifth Annual General Meeting held on September 27, 2017 for appointment of M/s JLN US & CO., Chartered Accountants (Firm Registration no. 101543W), the Statutory Auditors of the Company, to hold office for a period of 5 consecutive years from the conclusion of 25<sup>th</sup> Annual General Meeting of the company till the conclusion of 30<sup>th</sup> Annual General Meeting of the Company subject to ratification at every Annual General Meeting, consent of the Members of the Company be and is hereby accorded to continue the appointment of M/s JLN US & CO., Chartered Accountants (Firm Registration no. 101543W) as statutory auditors of the Company for the remaining of term without any further ratification by the members in terms of the provisions of the Companies Act, 2013, on such remuneration as may be decided by the any Director of the Company in consultation with Statutory Auditors.”

**By order of the board**  
**For Dhampure Speciality Sugars Ltd.**

Sd/-  
**Sorabh Gupta**  
Managing Director  
DIN:00227776

Date: 13<sup>th</sup> August, 2018

Place: New Delhi

### NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto, if any.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. The Share Transfer Books and Register of Members of the Company will remain closed from Friday, 21<sup>st</sup> September, 2018 to Thursday, 27<sup>th</sup> September, 2018 (both days inclusive).
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Electronic copy of the Notice of the 26<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(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 Notice of the 26<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
9. Voting through electronic means In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amend from time to time and Regulation 44 of SEBI (LODR) Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote at the 26<sup>th</sup> Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL)

# 26th ANNUAL REPORT

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- (i) Open email and open PDF file viz; "MBML-remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder – Login
  - (iv) Put user ID and password as initial password/PIN noted in step (a) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-voting opens. Click on remote e-Voting: Active Voting Cycles.
  - (vii) Select "EVEN" of DHAMPURE SPECIALITY SUGARS LIMITED.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
  - (xii) 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 [csanjanikr@gmail.com](mailto:csanjanikr@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :  
EVEN (E Voting Event Number) USER ID  
PASSWORD/PIN
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
  - (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call NSDL toll free no. 1800-222-990.
  - (iii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - (iv) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - (v) The e-voting period commences on 24<sup>th</sup> September, 2018 (9:00 am) and ends on 26<sup>th</sup> September, 2018 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> September, 2018 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (vi) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 20<sup>th</sup> September, 2018.
  - (vii) Mr. Anjani Kumar, Company Secretary in whole time Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - (viii) The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, count the vote cast through remote e-voting in the presence of at least two witness not in the employment of the company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's report of the total vote cast in favour or against, if any to the chairman or person authorized by him in writing who shall be countersign the same.
  - (ix) The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.sugarindia.com](http://www.sugarindia.com) and on the website of NSDL within time and the same shall be communicated to the BSE Limited.
  - (x) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays & Sundays, up to and including the date of the Annual General Meeting of the Company.
  - (xi) Members holding shares in demat mode may kindly note that any request for change of address or change of E-mail ID or change in bank particulars/ mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from the Members holding shares in demat mode. However, Members holding shares in physical mode are requested to notify the Registrar & Share Transfer Agent of the Company of any change in their address and e-mail id as soon as possible.
  - (xii) Members holding shares in physical form are requested to lodge share transfer, transmission and intimate changes, if any, in their registered address, bank account and mandate details, residential status etc. quoting their folio number(s) to Company's Registrar & Share Transfer Agent. Members are requested to note that as per the circular of the Securities and Exchange Board of India (SEBI), for transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/Registrar & Share Transfer Agent for registration of such transfer of shares.
  - (xiii) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar & Share Transfer Agent, Mas Services Ltd.
  - (xiv) In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars etc. From the Company electronically.

**EXPLANATORY STATEMENT PURSUENT TO THE PROVISION OF SECTION 102  
OF THE COMPANIES ACT, 2013 ("ACT")**

**Item No. 3**

At the 25<sup>th</sup> Annual General Meeting of the Company held on September 27, 2017, the members had appointed M/s JLN US & CO., Chartered Accountants (Firm Registration no. 101543W) as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that Annual General Meeting (AGM) till the conclusion of 30<sup>th</sup> Annual General Meeting, subject to ratification of their appointment at every AGM of the Company, This was done as per Law prevalent at that time.

Since then, proviso to sub-section (1) of Section 139 of the Companies Act, 2013, which provided for such ratification every year, has been deleted. However, since the resolution passed on September 27, 2017 contains such requirement, it is proposed, as a major of abundant caution, to have ratification of appointment Statutory Auditors, done by the members for the entire unexpired period.

None of the Directors, Key Managerial Personnel and / or the relatives of the Directors/Key Managerial Personnel are, in anyway, concerned or interested in this resolution.

The Board of Directors of your Company recommends the passing of ordinary resolution as set out in the Notice.

**By order of the board  
For Dhampure Speciality Sugars Ltd.**

Date: 13<sup>th</sup> August, 2018

Place: New Delhi

Sd/-  
**Sorabh Gupta**  
Managing Director  
DIN:00227776

Details of the Director seeking re- appointment at the Annual General Meeting

[Pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Paragraph 1.2.5 of Secretarial Standard on General Meeting]

Particulars	Mrs. Praveen Singh
Date of Birth	27 <sup>th</sup> July 1974
Date of first appointment	31 <sup>st</sup> March 2015( Woman Director of the Company)
Qualification	Graduated
Expertise in Specific Functional area	Mrs. Singh has held the position of Woman Director of the company since 31 <sup>st</sup> March 2015. she was then appointed as the Woman Director of the company w.e.f. She was more then 10 year of experience in sugar industry.
Directorship held in other Body Corporate as on date 31.03.2018	4 body corporate
Membership/ Chairmanship of Committee of other companies (including Audit Committee and stakeholder Relationship Committee) as on date 31.03.2018	2
Relationship with other Director	None

# 26th ANNUAL REPORT

## Form No. MGT-11 Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company	DHAMPURE SPECIALITY SUGARS LIMITED
Registered Office	VILLAGE PALLAWALA, TEHSIL-DHAMPUR DISTT. BIJNOR, U.P.-246761
Name of the Member(s)	
Registered Office	
E-mail Id	
Folio No /Client ID	
DP ID	

I/We, being the member(s) of Dhampure Speciality Sugars Limited, having shares of the above named company. Hereby appoint

Name :	
Address:	
E-mail Id:	
Signature, or failing him	

Name :	
Address:	
E-mail Id:	
Signature, or failing him	

Name :	
Address:	
E-mail Id:	
Signature, or failing him	

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the 26<sup>th</sup> Annual General Meeting of the company, to be held on the Thursday, 27<sup>th</sup> day of September, 2018 at 2:00 p.m. at Village Pallawala, Tehsil-Dhampur, Distt. Bijnor (U.P) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

### Ordinary Business:

- To receive consider and adopt the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2018, the report of the board of directors and Auditor thereon.
- To re-appoint Mrs. Praveen Singh (DIN 07145827) who is liable to retire by rotation as the director.

### Special Business

- Ratification of Appointment of M/s. JLN US & CO., Chartered Accountants (Firm Registration No. 101543W) as Statutory Auditors of the Company.

Signed this..... day of ..... 2018

Signature of Shareholder

Signature of proxy

Affix Revenue Stamps
-------------------------

**DHAMPURE SPECIALITY SUGARS LTD.**
**CIN : L24112UP1992PLC014478**
**Regd. Office : Village - Pallawala, Tehsil - Dhampur, Distt. - Bijnor (U.P.)**
**E-mail : investor@sugarindia.com, Website : www.sugarindia.com**

--

**ELECTRONIC VOTING PARTICULARS**

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD / PIN	NO.OF SHARE (S)

The e-voting facility will be available during the following voting period

Commencement of e-voting	From 09.00 a.m. (IST) on September 24.2018
End of e-voting	Up to 05.00 p.m. (IST) on September 26.2018

The cut-off date (i.e. the record date) for the purpose of e-voting is 20th September, 2018. Please refer to the attached AGM Notice for instructions on E-Voting.

----- TEAR HERE -----

**DHAMPURE SPECIALITY SUGARS LTD.**
**CIN : L24112UP1992PLC014478**
**Regd. Office : Village – Pallawala, Tehsil – Dhampur, Distt. - Bijnor (U.P.)**
**E-mail : investor@sugarindia.com, Website : www.sugarindia.com**
**ATTENDANCE SLIP**

Regd. Folio No. / DP ID - Client ID : .....

Name &amp; Address of First/Sole Shareholder : .....

No. of Shares held : .....

I hereby record my presence at the 26th Annual General Meeting of the Company to be held on Thursday, the 27th day of September, 2018 at 2:00 P.M. at Village-Pallawala, Tehsil-Dhampur, Distt.-Bijnor (U.P.)

.....  
Signature of Member/Proxy

**Notes:**

- a) Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- b) Member/Proxy wish to attend the meeting must bring this attendance slip to the meeting and handover at the entrance duly filled in and signed.



# 26th ANNUAL REPORT

---

## The procedure and instructions for e-voting is given hereunder for easy reference:

- a. The initial password is provided in the box overleaf.
- b. Open e-mail and open PDF file viz."MBML- remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
- c. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- d. Click on Shareholder-Login.
- e. Put user ID and password as initial password noted in step (a) above. Click Login.
- f. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- g. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- h. Select "EVEN" of "**DHAMPURE SPECIALITY SUGARS LIMITED**".
- i. Now you are ready for remote e-voting as Cast Vote page opens.
- j. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- k. Upon confirmation, the message "Vote cast successfully" will be displayed.
- l. Once you have voted on the resolution, you will not be allowed to modify your vote.
- m. 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 [csanjanikr@gmail.com](mailto:csanjanikr@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- n. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- o. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- p. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- q. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20th September, 2018.
- r. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th September, 2018, will be provided the notice through by post after the cut-off date. Such members may also obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@masserv.com](mailto:info@masserv.com) RTA MAS Services Limited. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.:1800-222-990.
- s. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- t. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- u. Mr. Anjani Kumar (Membership No. 9083) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- v. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- w. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- x. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.sugarindia.com](http://www.sugarindia.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the Stock Exchanges, where the shares of the Company are listed.

## DIRECTORS' REPORT

To,  
 The Members  
 Dhampure Speciality Sugars Ltd

Your Directors are pleased to present the 26<sup>th</sup> Annual Report for the financial year ended on March 31<sup>st</sup>, 2018.

### 1. FINANCIAL RESULTS

<b>FINANCIAL RESULTS</b>	<b>Standalone</b>		<b>Consolidated</b>
	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>
Net Sales	8,43,98,272.00	22,93,45,538.00	8,59,35,136
Other income	31,62,323.00	22,91,372.00	84,91,071
Profit before interest, depreciation and tax	33,65,049.00	94,13,536	85,68,862
Finance Cost (including Interest)	3,84,941.00	4,97,864.00	23,77,875
Depreciation	11,76,421.00	9,92,943.00	18,05,613
Exceptional Item	0.00	0.00	0.00
Profit before Tax	18,03,687.00	79,22,729.00	43,85,373
Provision for			
– Current Tax	3,43,692.00	18,94,640.00	3,43,692
– Deferred tax	6,81,128.00	8,10,199.00	4,74,824
Profit after Tax	8,57,001.00	46,74,647.00	34,34,268.00
Extraordinary Item	0.00	0.00	0.00
Profit after tax including extraordinary item	8,57,001.00	46,74,647.00	34,34,268.00
Minority Interest			
APPROPRIATIONS			
Less:			
Dividend-Equity shares	0.00	0.00	0.00
Dividend Tax	0.00	0.00	0.00
General Reserve	13,11,71,272.00	12,76,89,616.00	13,95,59,459

### 2. OPERATIONS

During the year under review total income of the Company was Rs. 8,43,98,272 as against Rs. 22,93,45,538 in the previous year. The Company was able to earn a marginal profit for the year of Rs. 8,57,001 against a profit of Rs. 46,74,647. Your Directors are putting in their best efforts to improve the performance of the Company.

### 3. STATEMENT OF AFFAIRS OF THE COMPANY

Dhampure Speciality Sugars Ltd is incorporated under the Companies Act, 1956 having registered office at Villageteh Pallawala Tehsil Dhampur Bijnor, Uttar Pradesh-246761. The Company is listed at Bombay Stock Exchange. During the year Company earned a profit of Rs. 8,57,001. Export sales of the company during the year is Rs. 31,99,840.

### 4. CHANGE IN NATURE OF BUSINESS OF THE COMPANY

There has been no change in the nature of business of the Company.

### 5. MATERIAL CHANGES ETC.

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company-31<sup>st</sup> March, 2018 and the date of this Report.

### 6. DIVIDEND

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

# 26th ANNUAL REPORT

---

## 7. ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS

During the year under review, pursuant to the approval of shareholders in their meeting held on February 28, 2017, the Company issue convertible warrant of Rs. 2,01,62,000 (Rupees two crore one lakh and sixty two thousand only) of Promoter i.e.

Mr. Sorabh Gupta into equity shares of the Company through issue and allotment of 11,86,000 (eleven lakh and eighty six thousand ) warrant convertible into equity shares of Rs.10/- each fully paid-up at a price of Rs 17/- (Rupees Fifty only) per share including a premium of Rs. 7/- (Rupees seven only) to these companies in accordance with applicable provisions of the SEBI (ICDR) Regulations 2009 and the Companies Act, 2013 read with the applicable rules made there under for the issuance of warrant convertible into Equity Shares on Preferential basis.

The Paid up capital of the Company as on March 31, 2018 was Rs. 7,53,62,000/- (Rupees seven crore fifty three lakh and sixty two thousand only) comprising of 75,36,200 equity shares of Rs. 10 each.

## 8. EXPORTS

During the year under review total export sale of the Company was Rs. 31,99,840 as against Rs. 42,22,660 in the previous year. Your Directors are putting in their best efforts to improve the performance of the Company.

## 9. R & D

Continuous efforts on R & D and Application Development activities are being made to expand the domestic and export markets particularly in Sugar Industry.

## 10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## 11. DEPOSITS

The Company has not accepted deposit from the public within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

## 12. DETAILS OF SUBSIDIARY COMPANIES

As on 31<sup>st</sup> March, 2018 the company has two wholly owned subsidiaries viz-a-viz Dhampur Green Private Limited, and Sun Burst Services Private Limited.

## 13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as 'ANNEXURE 1' which forms part of this report.

## 14. LISTING

At present, the equity shares of the Company are listed at BSE Ltd. The annual listing fees for the financial year 2018-19 to BSE has been paid.

## 15. CORPORATE GOVERNANCE

The Company has complied with the provisions of Regulation 27(2) of the Listing Obligation Disclosure Requirements (LODR), 2015 relating to the Corporate Governance. The Report on Corporate Governance as stipulated under Regulation 27(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 forms part of the Annual Report. A Certificate from Company Secretary in Practice on compliance of Regulation 49(9) SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015

Certificate of the CEO/CFO, inter-alia, confirming the correctness of the financial statements, compliance with Company's Code of Conduct, adequacy of the internal control measures and reporting of matters to the Audit Committee in terms of Regulation of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges, is attached in the Corporate Governance Report and forms part of this Report as ANNEXURE 4.

## 16. DIRECTORS

There is no change in the Board of Directors of the company during the financial year. Mrs. Praveen Singh a is liable to retire by rotation making herself eligible to be re-appointed on the Board. Pursuant to the provisions under Section 134(3)(d) of the Companies Act, 2013, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6).

**17. KEY MANAGERIAL PERSONNEL'S**

<b>Name</b>	<b>Designation</b>
Mr. Sorabh Gupta	Managing Director
Mr. Ghanshyam Tiwari	Chief Financial Officer
Mr. Harish Kr. Goswami <sup>1</sup>	Company Secretary
1. Mr. Harish Kr. Goswami Appointment w.e.f. from 13/11/2017	

**18. POLICY ON DIRECTORS APPOINTMENT AND POLICY ON REMUNERATION**

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached which forms part of this report.

**19. PARTICULARS OF REMUNERATION OF DIRECTORS/ KMP/EMPLOYEES**

There are no employees who are in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached which forms part of this report.

**20. MEETINGS**

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year 8 (Eight) Board Meetings and 4 (four) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013.

**21. BOARD EVALUATION**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Agreement with Stock Exchanges, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

A structured questionnaire has been prepared, covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc. Similarly, for evaluation of Individual Director's performance, the questionnaire covers various aspects like his/her profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc.

Board members had submitted their response on a scale of 5(excellent) – 1 (poor) for evaluating the entire Board, respective Committees of which they are members and of their peer Board members, including Chairman of the Board.

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance. The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires. The Directors expressed their satisfaction with the evaluation process.

**22. COMPOSITION OF AUDIT COMMITTEE**

As on 31st March, 2018, the Audit Committee of the Company comprises the following directors:

Chairman : Mr. Murl Manohar (Independent Director)  
 Members : Mr. Deshraj Singh (Independent Director)  
               Mrs. Praveen Singh (Non Executive Director)

**23. AUDITORS STATUTORY AUDIT:**

The Auditors, JLN US & Co, Chartered Accountants, were appointed with your approval at the 25<sup>th</sup> AGM to hold such office till the conclusion of the 30<sup>th</sup> AGM. The Board, in terms of Section 139 of the Act, on the recommendation of the Audit Committee, has recommended for the ratification of the Members the appointment of JLN US & Co, from the conclusion of the ensuing AGM till the conclusion of the 30<sup>th</sup> AGM.

The Board, in terms of Section 142 of the Act, on the recommendation of the Audit Committee, has also recommended for the approval of the Members the remuneration of JLN US & Co, for the financial year 2018-19.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.

\* The requirement related to annual ratification of appointment of auditors by members is omitted.

# 26th ANNUAL REPORT

---

## 24. SECRETARIAL AUDITORS

Your Board, during the year, appointed M/s Anjani Kumar & Associates, to conduct secretarial audit of the Company for the financial year ended 31st March, 2018. The Report of M/s Anjani Kumar & Associates in terms of Section 204 of the Act is provided in the "ANNEXURE 2" forming part of this Report. The observations (including any qualification, reservation, adverse remark or disclaimer) are self-explanatory.

## 25. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134 (3) (c) of the Companies Act, 2013, your Directors state that:

- (i) In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as of 31<sup>st</sup> March, 2018 and of the profits of the Company for the year ended on that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts of the Company have been prepared on a going concern basis.
- (v) Proper Internal Financial Controls were in place and that the Financial Controls were adequate and were operating effectively.
- (vi) Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## 26. CORPORATE SOCIAL RESPONSIBILITY COMMITTEES

The Company is not falling under the Section 135 of the Companies Act. So the applicability of Corporate Social Responsibility is not applicable on the Company.

## 27. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Details of internal financial control and its adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.

## 28. RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Internal Audit Department facilitates the execution of Risk Management Practices in the Company, in the areas of risk identification, assessment, monitoring, mitigation and reporting. Through this programme, each Function and Unit addresses opportunities and risks through a comprehensive approach aligned to the Company's objectives. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status.

Sustainability is embedded in the Corporate Enterprise Risk Management program, which gives an opportunity to increase the effectiveness of risk management practices and for improving business efficiency. The Company's social and environmental policies correlate strongly with the risk management strategy and ultimately the financial performance.

This risk management process, which is facilitated by internal audit, covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlights risks associated with chosen strategies. The current risk slate and the comprehensive risk policy have been further redefined during the year. The major risks forming part of the Enterprise Risk Management process are linked to the audit universe and are covered as part of the annual risk based audit plan.

## 29. VIGIL MECHANISM POLICY

The Company has adopted a Vigil Mechanism Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

## 30. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as ANNEXURE 3.

## 31. RELATED PARTY TRANSACTIONS

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' according to the policy of the Company on Materiality of Related Party Transactions. Your attention is drawn to the Related Party disclosures set out in Note no. 2 (e) of the Financial Statements

## 32. STATUTORY STATEMENTS

As per the requirements of the Companies Act, 2013, the following information is given in separate statements annexed hereto, which form part of this report:

- a) Energy conservation, technology absorption and foreign exchange inflow/outgo pursuant to section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Account) Rules, 2014. Annexure 1
- b) Secretarial Audit Report (Form MR 3). Annexure 2
- c) Extract of Annual Return pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014. Annexure 3.
- d) Corporate Governance report Annexure 4

### 33. PREVENTION OF SEXUAL HARRASMENT

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. Its redressal is placed on the intranet for the benefit of its employees. During the year under review, no complaints were reported to the Board.

### 34. APPRECIATION

Your Directors wish to place on record their appreciation of continued support extended by the dealers, distributors, suppliers, investors, bankers, financial institutions. Your Directors also express their appreciation for the committed services by the employees of the Company.

### 35. CHANGE IN TAXATION ACT AND RULES:

The GOI has enacted GST Act 2017 along with IGST Act 2017, SGST Act 2017, and UTGST Act 2017 and tentative date for implementation informed w.e.f. July 1<sup>st</sup>, 2017. Your company management is working and necessary preparation in accounting system. Accordingly and necessary Training session are being conducting in house seminar & workshop conducted by professional Bodies, CII, State Govt., Commercial Department etc. the transaction is expected to be smooth.

### 36. TOP TEN EMPLOYEE DETAILS

SI. No.	NAME OF EMPLOYEE	DESIGNATION	SALARY DRAWN DURING THE YEAR
1	Mr. Ghanshyam Tiwari	CFO	7,50,000/-
2	Mrs. Sarika Singh	Marketing Manager	4,68,000/-
3	Mrs. Usha Kumari	Manager Admin	4,02,000/-
4	Mrs. Usha Rani	Administration	3,60,000/-
5	Mr. Harish Kr. Goswami	Company Secretary	3,00,000/-
6	Mr. Nanda Ballabh	Accounts Executive	2,76,000/-
7	Mr. R. Gandhi	Marketing Manager	2,70,000/-
8	Mr. Majhar Khan	Accountant	2,70,000/-
9	Mr. Sandeep Panday	Marketing	2,65,800/-
10	Mr, Rajdev Yadav	Marketing	2,65,800/-

#### On behalf of the Board

Sd/-  
**Sorabh Gupta**  
 Managing Director  
 DIN: 00227776

Sd/-  
**Murli Manohar**  
 Director  
 DIN: 01173857

Place: New Delhi  
 Date: 13<sup>th</sup> August, 2018

# 26th ANNUAL REPORT

---

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDIAN ECONOMIC OVERVIEW

India's positive GDP growth indicates that the economy is expanding as against the subdued economic growth in the developed countries and other parts of Asia. One more reason for India doing well is that oil and commodity prices have plummeted. Besides this, the country is largely a consumption-driven economy that is not too dependent on foreign trade. Initiatives like 'Make in India', plans to set up a dedicated freight corridor and developing a low-carbon economy by laying a keen emphasis on generating renewable energy have brightened long-term prospects for the country's economy. The Indian economy has been riding high since last year and in purchasing power parity terms has made its way among the top five countries in the world.

### SUGAR INDUSTRY

Global overview Sugar is one of the most used commodities in the world. Sugarcane, besides the main source of sugar, is generally regarded as one of the most significant and efficient sources of biomass for bio-fuel (ethanol) production. Strong linkages between world sugar and oil prices have emerged in recent years, driven in part by the relationships between sugar as the primary ethanol feedstock in Brazil, the dominant producer and exporter of both sugar and ethanol in the world.

### GROWTH PROSPECTS

The higher demand in the domestic market was a result of the increase in the mandated percentage of ethanol blending in gasoline from 25 to 27% and the increase in federal and state taxes for gasoline. India is the world's largest consumer and second-largest producer of sugar. China's production is projected at 10.6 million tonnes, down by 400,000 tonnes on account of a decline in planted area due to high production costs. (Source: usda.gov)

The primary reason for the global sugar industry's bullish outlook stems from a prospective increase in demand. Moreover, small changes in the import needs of multiple countries will also lead to a significant spike in demand for sugar. This bullish trend in the global sugar markets will lead to a rise in the price of sugar in India as well. This means that the world's second-largest supplier will sell more in the domestic market and less abroad. So, while expectations for Indian exports were bearish for the market six months ago, the estimates are being lowered.

### INDUSTRY ANALYSIS AND TRENDS

During the five years leading to 2016, the global sugar manufacturing industry had to contend with unstable production and price levels. Adverse weather conditions and increasing diversion of stocks to ethanol production reduced sugar production, therefore inflating the price of the commodity. This benefited the industry until 2012, when prices crashed due to high global production and healthy stock-to-use ratio. Prices continued to decline throughout the period, thereby pushing revenues down, which resulted in minimal industry growth. Till 2020, the industry is expected to prosper due to rising demand for renewable energy, growing global sugar consumption and favourable governmental policies.

### INDUSTRY INVESTMENTS

The global sugar industry is labor and capital-intensive. However, the introduction of new technologies and the adoption of greater automation have reduced manual intervention. This is particularly true in sugar refining, where, in the past decade, high-speed production lines have dramatically increased throughputs. This has allowed manufacturers to raise production levels significantly without requiring corresponding increase in manpower

### INDIAN SUGAR INDUSTRY AT A GLANCE

The Indian sugar industry has contributed a lot to the rural economy of India. The sector has by commercializing rural resources for meeting the large domestic demand of sugar and generating surplus energy to meet the ever-increasing energy needs of India. With an annual production capacity of over 30 million metric tonnes, the Indian sugar industry is the second largest producer in the world. It is also the second-largest agro-based industry in the country (after cotton). The sugar industry supports 50 million farmers and their families.

### OUTLOOK

According to ISMA, from the beginning of the current sugar season till 30th of April 2016, sugar mills have produced 11% lower sugar. And even though most of the mills have stopped crushing cane, 48 are still continuing their crushing activity as compared to 97 that were operating last year. Due to this drop in production, India will have a low output of sugar but the sufficient stock will ensure that demands are met. On the consumption side, strong domestic demand from soft drink manufacturers, confectionaries, hotels, bakeries and ice cream manufacturers will support higher levels of off take. India's relatively strong economic growth, stable political situation, rising incomes, a young population and changing consumer consumption patterns are envisaged to be the key drivers, encouraging higher sugar consumption. However, strong domestic demand will limit the extent of price correction. Thus the Indian sugar industry has turned around and has recovered the long pending dues that were owed to farmers. The mills have been able to pay the farmers back due to the strong policy initiatives undertaken, which includes an increase in blending ethanol with petrol that has saved the country from nearly \$300 million worth of oil imports.

(Source: Care Ratings, KPMG, Economic Times, ISMA)

## ANNEXURE 1

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings sand Outgo

<b>Conservation of Energy</b>	
(i) Steps taken or impact on conservation of energy	No steps taken during the year. Though Company is trying to find out various alternatives in relation to conservation of energy
(ii) Steps taken by the Company for utilizing alternate sources of energy	No steps taken during the year. Though Company is trying to find out various alternatives in relation to conservation of energy
(iii) Capital investment on Energy Conservation equipment	During the year 2017-18 there was no Capital Investment in the Company on Energy Conservation equipment
<b>Technology Absorption</b>	
(i) The efforts made towards technology absorption	Nil
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution	Nil
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
a) the details of technology imported;	Nil
b) the year of import;	Nil
c) whether the technology been fully absorbed;	Nil
d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Nil
(iv) the expenditure incurred on Research and Development.	Nil
<b>Foreign Exchange Earnings &amp; Outgo</b>	
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	₹ 31,99,840



**ANNEXURE 2**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended on 31-03-2018

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

To,

The Members,

**DHAMPURE SPECIALITY SUGARS LIMITED**

VILLAGETEH PALLAWALA TEHSIL DHAMPUR

BIJNOR, UTTAR PRADESH-246761

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31-03-2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by DHAMPURE SPECIALITY SUGARS LIMITED for the financial year ended on 31-03-2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act 2013 and dealing with client;
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Following specific laws applicable to company:

- Food Safety And Standards Act, 2006
- Export (Quality Control and Inspection) Act, 1963
- Agricultural and Processed Food Products Export Act, 1986

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd (BSE) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company is generally regular in depositing with appropriate authorities undisputed statutory dues.

FOR ANJANI KUMAR & ASSOCIATES  
COMPANY SECRETARIES

Sd/-

**ANJANI KUMAR**  
(PROPRIETOR)

CP NO 8830, M.NO.A-9083

Place: Ghaziabad

Date: 29<sup>th</sup> May 2018

**Note:**

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## "ANNEXURE A"

The Members,

**DHAMPURE SPECIALITY SUGARS LIMITED**

VILLAGETEH PALLAWALA TEHSIL DHAMPUR

BIJNOR, UTTAR PRADESH-246761

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **ANJANI KUMAR & ASSOCIATES**

COMPANY SECRETARIES

Sd/-

ANJANI KUMAR

(PROPRIETOR )

CP NO 8830, M.NO. 9083

Date: 29<sup>th</sup> May 2018

**ANNEXURE 3**
**FORM NO. MGT-9**
**EXTRACT OF ANNUAL RETURNAS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i. CIN	L24112UP1992PLC014478
ii. Registration Date	22/06/1992
iii. Name of the Company	DHAMPURE SPECIALITY SUGARS LIMITED
iv. Category / Sub-Category of the Company	Company having Share Capital
v. Address of the Registered office and contact details DHAMPUR	VILLAGETEH PALLAWALA TEHSIL BIJNOR UTTAR PRADESH- 246761
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Mas Services LimitedT-34, 2nd floor, Okhla Industrial Area,Ph-II New Delhi 110 020 Ph: 011- 26387281/82/83

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	to total % turnover of the company
1.	Wholesale of edible oils, fats, sugar and processed Manufactured spices etc	51225	98.43%

**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Dhampur Green Private Limited (formerly S.T. Foods Pvt. Ltd)	U15500DL2011PTC 226547	Subsidiary	100%	
2.	Sun Burst Services Private Limited. (Formerly known as Ujjwal Technical Services Pvt. Ltd.)	U72900HR2013PTC 050750	Subsidiary	100%	

# 26th ANNUAL REPORT

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

### i. Category-wise Share Holding

	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during Shares
	Demat	Physical	Total	% Total Shares	Demat	Physical	Total	% Total Shares	
<b>A. Promoter</b>									
1) Indian									
a) Individual/ HUF	27,41,813	NIL	27,41,813	38.29	31,16,813	NIL	31,16,813	41.36	3.07
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corp	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any Other	7,80,850	NIL	7,80,850	10.90	7,85,850	NIL	7,85,850	10.90	NIL
<b>Sub-total(A)(1):-</b>	<b>35,22,663</b>	<b>NIL</b>	<b>35,22,663</b>	<b>49.19</b>	<b>39,02,663</b>	<b>NIL</b>	<b>39,02,663</b>	<b>51.79</b>	<b>2.6</b>
<b>2) Foreign</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
j) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
k) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (A)(2):-</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Shareholding of Promoter and Promoter Group(A)	<b>35,22,663</b>	<b>NIL</b>	<b>35,22,663</b>	<b>49.19</b>	<b>39,02,663</b>	<b>NIL</b>	<b>39,02,663</b>	<b>51.79</b>	<b>2.6</b>
= (A)(1) + (A) (2)									
<b>B. Public Shareholding</b>									
1. Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(1)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>2. Non Institutions</b>									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>a) Bodies Corp.</b>	750218	13700	763918	10.67	411088	13700	424788	05.64	5.03
(i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Overseas									
<b>b) Individuals</b>	19,07,362	2,00,900	21,08,262	29.44	20,94,338	1,88,300	22,82,638	30.29	0.85
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6,83,753	NIL	6,83,753	9.55	77,87,91	NIL	77,87,91	10.33	0.78
<b>c) Others (Specify Clearing Member)</b>	65,192	NIL	65,192	0.91	128758	NIL	128758	1.71	1.01
<b>D) Non Resident Indain</b>	8410	NIL	8410	0.11	18562	NIL	18562	.24	0.13
<b>e) Any other Specify OCB</b>	8002	NIL	8002	0.11	NIL	NIL	NIL	NIL	0.11
<b>f) NBFC Reg. with RBI</b>	1000	Nil	1000	0.01	NIL	NIL	NIL	NIL	0.01
Sub-total (B)(2)	34,23,937	2,14,600	36,30,535	50.92	34,31,537	2,02,000	36,33,537	48.21	2.71
Total Public Shareholding (B) = (B)(1)+ (B)(2)	34,23,937	2,14,600	36,30,535	50.92	34,31,537	2,02,000	36,33,537	48.21	2.71
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total(A+B+C)</b>	<b>69,46,600</b>	<b>2,14,600</b>	<b>71,61,200</b>	<b>100</b>	<b>73,34,200</b>	<b>20,2,000</b>	<b>75,36,200</b>	<b>100</b>	

## ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. SORABH GUPTA	27,41,813	38.29	NIL	31,16,813	41.36	NIL	3.07
2.	Ms. REENA GUPTA	6,87,250	09.60	NIL	6,92,250	9.19	NIL	0.41
3.	Mr. Narendra Kumar Gupta	93,600	01.31	NIL	93,600	01.24	NIL	.07
	<b>Total</b>	<b>35,22,663</b>	<b>49.19</b>	<b>NIL</b>	<b>39,02,663</b>	<b>51.79</b>	<b>NIL</b>	<b>2.60</b>

## 26th ANNUAL REPORT

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	35,22,663	49.19		
	21.03.2017	5000	0.06	35,27,663	49.25
	Allotment (21.3.2018)	375000		39,02,663	2.6
	At the end of the year			39,02,663	51.79

### iv. Shareholding of Directors and Key Managerial Personnel

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Mr. Sorabh Gupta</b>				
	At the beginning of the year 01.04.2017	2741813	38.29		
	Increase/Decrease 21.03.2018 (Allotment)	375000	3.07	3116813	41.36
	At the End of the year 31.03.2016	3116813	41.36	3116813	41.36
2	<b>Mr. Murli Manohar</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
3	<b>Mr. Deshraj Singh</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
4	<b>Mrs. Praveen Singh</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
5	<b>Mr. Ghanshyam Tiwari</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
6	<b>Mr. Harish Kumar Goswami</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
7	<b>Mr. Kamal Kumar</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

**V. Shareholding Pattern of Top ten Shareholder** (other than Director Or Promoters and Holder of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	WEGMANS FINANCIAL SERVICES LIMITED	101011	1.41	101011	1.34
2	SARIKA SINGH	48,200	0.67	48,200	0.64
3	SALONI VISHAL PARIKH	31000	0.41	0	0
4	RASHMI NAVINBHAI MEHTA	37626	0.52	52370	0.69
5	LATIN MANHARLAL SECURITIES PVT. LTD.	90,095	1.25	90,095	1.19
6	ANUBHAI NATHALAL GOPANI	37500	0.52	52771	0.7
7	DWARKADHISH TRADING PRIVATE LIMITED	168000	2.34	0	0
8	CHARTERED FINANCE AND LEASING LIMITEDX'	319345	4.45	0	0
9	JAYA VRAJESH SHAH	100000	1.39	100000	1.32
10	RANJANA SURENDRA BAGARIA	54550	0.76	58050	0.77

**VI. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
– Addition				
– Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL



## 26th ANNUAL REPORT

### VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD	Total Amount
1.	<b>NAME</b>	<b>Mr. Sorabh Gupta</b>	
2.	Gross salary	24,00,000	24,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
3.	Stock Option	NIL	NIL
4.	Sweat Equity	NIL	NIL
5.	Commission – as % of profit – others, specify...	NIL	NIL
6.	Others, please specify	NIL	NIL
7.	Total (A)	24,00,000	24,00,000
	Ceiling as per the Act	Rs.42 Lakh by Ordinary Resolution for Five Year and Compliance sheet Other Condition  Rs. 84 Lakh for Three years. as per schedule v of the Companies Act, 2013	

#### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Murli Manohar	Mr. Deshraj Singh	
	<b>Independent Directors</b>			
	• Fee for attending board committee meetings	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL
	<b>Total (1)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Other Non-Executive Directors</b>			
	• Fee for attending board committee meetings	NIL	NIL	NIL
	• Commission	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL
	<b>Total (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total (B) = (1+2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	Total Managerial Remuneration	NIL	NIL	NIL
	Overall Ceiling as per the Act	This ceiling limit is not applicable because company is paying sitting fees to the independent Director		

**C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		CFO & Company Secretary	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,40,000 NIL	9,40,000 NIL
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section17(3) Income-tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission – as % of profit – others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
6.	<b>Total</b>	<b>9,40,000</b>	<b>9,40,000</b>

**VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made If any (give details)
<b>A. Company</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. Directors</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. Other Officers In Default</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**On behalf of the Board**

Sd/-  
**Sorabh Gupta**  
 Managing Director  
 DIN: 00227776

Sd/-  
**Murli Manohar**  
 Director  
 DIN: 01173857

Place: New Delhi  
 Date: 13<sup>th</sup> August, 2018

## COMPLIANCE CERTIFICATE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION 2015

We have examined the compliance of conditions of Corporate Governance by Dhampure Speciality Sugar Limited ("the Company") for the year ended March 31, 2018 as stipulated in Regulation of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 of the company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanation give to us, and as per representations made by Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Anjani Kumar & Associates**

Sd/-

COMPANY SECRETARY

New Delhi

13th August, 2017

**Anjani Kumar**

**C. P. 8830**

**ANNEXURE 4**  
**REPORT ON CORPORATE GOVERNANCE**

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

For Company, maintaining the highest standards of corporate governance is not a matter of mere form but also of substance. It is an article of faith, a way of life, and an integral part of the Company's core values. Your company is committed for adopting best global practice of Corporate Governance. The philosophy of Corporate Governance as manifested in the Company's functioning is to achieve business excellence by enhancing long term shareholders value and interest of its entire shareholders. Efficient conduct of the business of the company through commitment to transparency and business ethics in discharging its corporate responsibilities are hallmarks of the best practices already followed by the Company.

The Company's compliance of Corporate Governance guidelines of the Listing Agreement is as follows:

**A. COMPOSITION OF THE BOARD AND RECORD OF OTHER DIRECTORSHIPS HELD**

Name of the Director	Category	Designation	No. of other Directorships	Total No. of Chairmanships/Memberships of Board Level Committees		
			Held	Chairmanship	Membership	Total
Mr. Sorabh Gupta	Promoter Director	Chairman & Managing Director	7	1	Nil	1
Mr. Murli Manohar	Independent Non-Executive Director	Director	Nil	Nil	Nil	Nil
Mr. Deshraj Singh	Independent Non-Executive Director	Director	Nil	Nil	Nil	Nil
Ms. Praveen Singh	Woman Non-Executive Director	Director	3	Nil	Nil	Nil
Mr. Kamal Kumar	Non-Executive Director	Director	Nil	Nil	Nil	Nil

The Company is managed and controlled through a professional body of Board of Directors, which comprise of an optimum combination of Executive and Non-Executive Independent Directors headed by the Chairman. The present strength of Board of Directors is Four (5), out of which one (1) is Executive Director and two (2) are Independent Non-Executive Directors. The Company's Board consists of eminent persons with considerable professional expertise and experience. The independent directors do not have any pecuniary relationship or transactions with the company, promoters, and management, which may affect independence or judgement of the Directors in any manner.

The composition of the Board of Directors of the Company is in conformity with the provisions of SEBI( Listing Obligation and Disclosure Requirement) Regulation, 2015 with the Stock Exchanges. The structure of the Board and record of other Directorships, Committee memberships & Chairmanships and shareholding in the Company as on March 31, 2018 is as under:

**Notes:**

- I. The Directorships held by Directors as mentioned above, do not include alternate Directorship, Directorships of Foreign Companies, and section 8 Companies.
- II. In accordance with SEBI( Listing Obligation and Disclosure Requirement) Regulation, 2015 , Membership(s) / Chairmanship(s) of only the Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies have been considered.
- III. None of the Directors is a member of more than 10 Board-level committees of public Companies in which they are Directors, nor is chairman of more than 5 such committees.

## 26th ANNUAL REPORT

Name of the Director	Number of Board Meetings held during tenure of Directors and attended by them	
	Held	Attended
Mr. Sorabh Gupta	8	8
Mr. Murli Manohar	8	8
Mr. Deshraj Singh	8	8
Mrs. Praveen Singh	8	8
Mr. Kamal Kumar	6	6

### B. BOARD MEETINGS:

#### 1. Scheduling and selection of agenda items for Board Meetings

The months for holding the Board Meetings in the ensuing year are usually decided in advance and most Board Meetings are held at the Company's corporate office in New Delhi. The agenda for each meeting, along with explanatory notes, is sent in advance to the Directors. The Board meets at least once in a quarter to review the quarterly results and other items on the agenda.

#### 2. Number of Board Meetings

The Board of Directors of the Company met Eight times on 29<sup>th</sup> May, 2017, 11<sup>th</sup> August, 2017, 13<sup>th</sup> November, 2017, 30<sup>th</sup> January 2018, 12<sup>th</sup> February, 2018, 3<sup>rd</sup> March 2018, 10<sup>th</sup> March 2018, 21<sup>st</sup> March 2018, during the financial year ended 31<sup>st</sup> March, 2018. The maximum time gap between any two meetings was not more than one hundred twenty days.

#### 3. Record of the Directors' attendance at Board Meetings and AGM

#### 4. Availability of information to the Board

The Board has unfettered and complete access to any information within the Company and to any employee of the Company. Necessary information as mentioned in Annexure- of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 has been regularly placed before the Board for its consideration.

### C. FAMILIARISATION PROGRAMME FOR DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and other relevant regulations and affirmation taken with respect to the same. Further the Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

The CFO & Company Secretary, business heads and other senior officials of the Company make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

### D. BOARD LEVEL COMMITTEES

In accordance with the Listing Agreement with the Stock Exchanges on Corporate Governance, the following committees were in operation:

1. Audit Committee
2. Investor Grievance cum Stake Holders Relationship Committee
3. HR, Nomination and Remuneration Committee

## 1. AUDIT COMMITTEE

- **Terms of reference**

The Audit Committee acts as a link between the Statutory and the Internal Auditors and Board of Directors. The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and Internal Audit Activities. Majority of the members are Non-executive Directors and each member has rich experience in financial sector. The Committee is governed by a charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

### **Composition of Audit Committee**

The Audit Committee, as on March 31, 2018 consisted of the following three Directors who are eminent professionals and possess sound knowledge in finance:

Chairman : Mr. Murli Manohar

Member ; Mr. Deshraj Singh

Mrs. Praveen Singh

- **Meetings and attendance during the year**

The Audit Committee met four times during the financial year from April 1, 2017 to March 31, 2018:

1. 29<sup>th</sup> May, 2017
2. 11<sup>th</sup> August, 2017
3. 13<sup>th</sup> November, 2017
4. 12<sup>th</sup> February, 2018

The attendance record of the audit committee members is given in following table:

<b>Names of the Audit Committee members</b>	<b>Number of Audit Committee Meetings held and attended during the tenure of Directors</b>
Mr. Murli Manohar	4
Mr. Deshra Singh	4
Mrs. Praveen Singh	4

- **INVESTOR GREIVANCE CUM STAKEHOLDER RELATIONSHIP COMMITTEE**

### **Terms of reference**

This Committee was constituted specifically to review compliance of rules and regulations, to redress shareholder's grievance and to provide suggestions and further in pursuant to section 178(5) of Companies Act, 2013, the earlier Share Transfer And Investor Grievance Committee was reconstituted to be called as INVESTOR GREIVANCE CUM STAKE HOLDERS RELATIONSHIP COMMITTEE. To expedite the process of share transfers the Board has delegated the power of share transfer to M/s Mas Services Ltd viz. Registrar and Share Transfer Agents who attend the share transfer formalities at least once in a fortnight.

Terms of reference of the Investor Grievance Cum Stake Holders Relationship Committee are as per the guidelines set out in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges which inter-alia include looking into the investors complaints on transfer of shares, non receipt of declared dividends etc and redressal thereof.

- **Composition of Investor Grievance Cum Stake Holders Relationship Committee**

The Investor Grievance Cum Stake Holders Relationship Committee is headed by an Independent Director and presently consisted of the following members as on March 31, 2018:

Chairman : Mr. Murli Manohar

Members : Mr. Deshraj Singh

Mr. Praveen Singh

Company Secretary : Company Secretary of the Company is Company secretary of the Committee

# 26th ANNUAL REPORT

## Meetings and attendance during the year

The Investor Greivance Cum Stakeholders Relationship Committee met four times during the financial year from April 1, 2017 to March 31, 2018:

1. 29<sup>th</sup> May 2017
2. 11<sup>th</sup> August 2017
3. 13<sup>th</sup> November 2017
4. 12<sup>th</sup> February 2018

The attendance record of the Investor Greivance Cum Stakeholders Relationship Committee members is given in following table:

Names of the Investor Greivance Cum Stakeholders Relationship Committee members	Number of Investor Greivance Cum Stakeholders Relationship Meetings	
	Held during the tenure of Directors	Attended
Mrs. Praveen Singh	4	4
Mr. Murli Manohar	4	4
Mr. Deshraj singh	4	4

- **Compliance Officer**

The Compliance Officer for this committee is Company Secretary of the Company.

- **Shareholders' Complaints etc. received during the FY- 2017-18**

During the year from April 1, 2017 to March 31, 2018 the Company received nil complaints from various Investors / Shareholders' relating to non-receipt of Dividend / Bonus Shares / Transfer of Shares / Dematerialization of Shares / Annual Report etc. The same were attended to the satisfaction of the Investors. At the end of March 31, 2018, no complaint was pending for redressal and there were no pending share transfers as on March 31, 2018.

### 3. HR, NOMINATION AND REMUNERATION COMMITTEE

- **Terms of reference**

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

- **Composition of Remuneration Committee**

In compliance with Section 178(1) of the Companies Act, 2013, Remuneration Committee is being reconstituted as HR, Nomination and Remuneration Committee w.e.f 30<sup>th</sup> May, 2014 and is headed by an Independent Director and consists of the following members:

Chairman : Mr. Murli Manohar

Members : Mr. Desh Raj Singh

Mrs. Praveen Singh

Names of the HR, Nomination and Remuneration Committee members	Number of Meetings held during the tenure of Directors	
	Held	Attended
Murli Manohar	4	4
Desh Raj Singh	4	4
Mrs. Praveen Singh	4	4

- **Compliance Officer**

The Compliance Officer for this committee, at present, is Company Secretary of the Company.

- **REMUNERATION POLICY**

**Remuneration to Non-Executive Independent Directors**

The Non-Executive Independent Directors are paid remuneration by way of Sitting Fees. The Non-Executive Independent Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The no sitting fees paid during the Financial Year 2017-18. The Non- Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

**A. Remuneration to Executive Directors**

The appointment and remuneration of Executive Directors including Chairman and Managing Director is governed by the recommendation of the HR, Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration package of Chairman and Managing Director comprises of salary, perquisites, allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

- **Remuneration Paid to Directors**

Following tables gives the details of remuneration paid to directors, during the year from April 01, 2017 to March 31, 2018:

- **Remuneration to Executive Directors**

Sl. No.	Particulars	Designation	Salary pm (Rs.)	Commission (Rs. in Crores)	Contribution to provident & Superannuation Funds	Benefits	Total Amount pm (Rs.)
1.	Mr. Sorabh Gupta	Chairman & Managing Director	2,00,000	Nil	Nil	Nil	2,00,000

- **No remuneration paid to Non- Executive Director.**

**E. FAMILIARISATION PROGRAMME FOR DIRECTORS**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and other relevant regulations and affirmation taken with respect to the same. The Chairman and Managing Director also has one to one discussion with the newly appointed Director to familiarise him with the Company's operations. Further the Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

The CFO & Company Secretary, business heads and other senior officials of the Company make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

**F. INDEPENDENT DIRECTORS:**

The Company has complied with the definition of Independence as per SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.



## a. Training of Independent Directors

Whenever new Non-Executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

## b. Performance Evaluation of non-executive and Independent Directors

The Board evaluates the performance of Non-Executive and Independent Directors every year.

All the Non-Executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration.

Their presence on the Board is advantageous and fruitful in taking business decisions.

## c. Separate Meeting of the Independent Directors

The Independent Directors held a Meeting on 29<sup>th</sup> May, 2017, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- I. Reviewed the performance of non-independent directors and the Board as a whole;
- II. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- III. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## E. GENERAL BODY MEETINGS

### Date / Venue / Time of previous three Annual General Meetings:

Year	Place	Date	Time	Special Resolution Passed
2016-17	Village-Pallawala Dhampur	27 <sup>th</sup> September, 2017	3.00P.M.	No
2015-16	Village-Pallawala Dhampur	30 <sup>th</sup> September, 2016	3.00P.M.	No
2014-15	Village-Pallawala Dhampur	30 <sup>th</sup> September, 2015	2.00 P.M	Yes

No Resolution was passed through postal ballot, during the financial year 2017-18

## E. AFFIRMATIONS AND DISCLOSURES:

1. Compliance with Mandatory requirements of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 of the Listing Agreement

The Company has complied with all the applicable mandatory requirements of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Related Party Transactions: All transactions entered into with Related Parties as defined Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for approval.

None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and carried out on an arm's length basis or fair value.

3. The Company has complied with the requirements of stock exchanges or SEBI on matters related to Capital Markets, as applicable. No penalty was levied by these authorities in last three years.
4. **Code of Conduct:** The Company has adopted a Code of Conduct for the members of the Board of Directors and the senior management of the Company. The Code of Conduct is displayed on the website of the Company. All the directors and the senior management personnel have affirmed compliance with the code for the financial year ended 31<sup>st</sup> March 2018. A declaration to this effect, signed by the Chairman & Managing Director is annexed to this report.
5. **Whistleblower Policy :** In accordance with requirement of Companies Act as well as Listing Agreement a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. No personnel of the Company has been denied access to the Audit committee.
6. The necessary certificate, pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with stock exchanges, is annexed to this report.
7. Management Discussion and Analysis Report - The Management Discussion and Analysis has been discussed in detail separately in this Annual Report.
8. Compliance Certificate from Practicing Company Secretary: Certificate from Practicing Company Secretary confirming compliance with conditions of corporate governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is annexed to this report.
9. Other disclosures as required under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 has been given at relevant places in the Annual Report.

#### **G. MEANS OF COMMUNICATION / INVESTORS' COMMUNICATION**

- The quarterly and half-yearly/Annual financial results are forthwith communicated to the Bombay Stock Exchange (BSE), where the shares of the Company are listed, as soon as they are approved and taken on record by the Board of Directors.
- Financial Results are published in leading newspapers, one English newspaper and one Hindi newspaper.
- The financial results are also put up on Company's website www.sugarindia.com.

#### **H. INFORMATION TO SHAREHOLDERS**

##### **1. REGISTERED OFFICE**

- Villageteh Pallawala Tehsil, Bijnor, Uttar Pradesh-246761

##### **2. ANNUAL GENERAL MEETING**

The date, time & venue of the next Annual General Meeting and the next Book Closure date will be as per the Notice calling the Annual General Meeting.

##### **3. WEBSITE**

The address of the Company's web site is www.sugarindia.com

##### **4. LISTING ON STOCK EXCHANGES**

The names of the stock exchanges at which Company's shares are listed as on 31<sup>st</sup> March, 2018 and details of "Stock Codes" are as mentioned below:

##### **Name of the Stock Exchange Stock Code**

Bombay Stock Exchange Ltd. 531923

## 26th ANNUAL REPORT

### 5. ANNUAL LISTING FEE

Annual Listing Fee for the year 2017–18 has been paid to each of the above mentioned stock exchanges. There are no arrears of listing fees with any of the said stock exchanges till date.

### 6. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2018

Following tables gives the data on shareholding according to types of shareholders and class of shareholders.

- Distribution of the shareholdings according to type of shareholders:

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	%(Holding)	No. of Shares	%(Holding)
Promoters	39,02,663	51.79%	35,22,663	49.19%
Institutional Investors	NIL	NIL	NIL	NIL
BodiesCorporate	4,24,788	5.64%	7,63,918	10.67%
Others/Public	32,08,749	40.14%	28,74,619	40.14%
<b>Total</b>	<b>7536200</b>	<b>100%</b>	<b>7161200</b>	<b>100%</b>

- Distribution of shareholding according to the number of shares:

No. of Equity Shares	March 31, 2018				March 31, 2017			
	No. of	% of	No. of shares	% of share capital	No. of	% of	No. of shares	% of share capital
	Shareholders				Shareholders			
1 to 5000	2877	79.082	558891	7.416	3078	80.429	593637	8.29
5001 to 10000	338	9.291	283617	3.763	343	8.963	286205	3.997
10001to 20000	154	4.233	242707	3.221	159	4.155	250961	3.504
20001to 30000	73	2.007	188875	2.506	73	1.907	188585	2.633
30001to 40000	37	1.017	132737	1.761	41	1.071	146907	2.051
40001to 50000	38	1.045	182849	2.426	37	0.967	176407	2.463
50001to100000	58	1.594	400558	5.315	44	1.15	308476	4.308
100001 and above	63	1.732	5545966	73.591	52	1.359	5210022	72.753
<b>Total</b>		<b>100</b>	<b>7536200</b>	<b>100</b>		<b>100</b>	<b>7161200</b>	<b>100</b>

### 7. MARKET PRICE DATA

Monthly high and low prices of equity shares of the company traded at The Bombay Stock Exchange Limited are given below:

MONTH	BSE	
	HIGH(Rs.)	LOW(Rs.)
Apr 17	19.2	17.1
May 17	18.45	15.3
Jun 17	17.75	14.75
Jul 17	16.7	14.25
Aug 17	23.8	14.25
Sep 17	18.55	13.5
Oct 17	15.96	13.00
Nov 17	16.49	13.21
Dec 17	17.4	13.75
Jan 18	19.95	15.3
Feb 18	17.00	13.5
Mar 18	16.6	12.00

#### 8. DEMAT

Your Company's equity shares are compulsorily traded in dematerialisation form by all categories of investors. Equity shares of your Company are available for trading in the depository systems of both the Depositories viz. The National Securities Depositories Limited (NSDL) and The Central Depositories Service (India) Limited (CDSL).

As on March 31, 2018, 92.34% (i.e. 6959200 Equity Shares) of the total Equity Share Capital (i.e 7536200 equity shares) were held in demat form.

#### 9. REGISTRAR AND SHARE TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

The Company has appointed a common i.e. Mas Services Limited for share transfer and dematerialisation of shares. To expedite the process of share transfers the Board has delegated the power of share transfer to Mas Services Limited viz. Registrar and Share Transfer Agents who will attend to the share transfer formalities at least once in fortnight. Their contact details are as follows;

##### **M/s Mas Services Limited**

T-34, 2<sup>nd</sup> floor, Okhla Industrial Area, Ph-II

New Delhi 110 020

Ph: 011-26387281/82/83

Fax: 011-26387284

#### 10. ADDRESS FOR CORRESPONDENCE:

i. Investors' Correspondence may be addressed to the following:

Dhampure Speciality Sugars Ltd

Villagete Pallawala Tehsil Dhampur, Bijnore, Uttar Pradesh-246761

E-mail: investor@sugarindia.com

**OR**

To the Registrar and Share Transfer Agent i. e: Mass Services Limited at the address mentioned elsewhere in this report.

ii. Queries relating to the Financial Statements of the Company may be addressed to following:

Sorabh Gupta

Villagete Pallawala Tehsil Dhampur, Bijnore, Uttar Pradesh-246761

# 26th ANNUAL REPORT

---

## ANNUAL DECLARATION OF COMPLIANCE OF CODE OF CONDUCT BY CEO/MD

To  
**The Board of Directors**  
**Dhampure Speciality Sugars Limited**  
Villageteh Pallawala Tehsil Dhampur,  
Bijnore, Uttar Pradesh-246761

1. The Code of Conduct has been laid down for all the Board members and Senior Management and other employees of the Company.
2. The Code of conduct has been posted on website of the Company.
3. The Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2017-18.

**Date 13<sup>th</sup> August, 2018**

Sd/-  
**Sorabh Gupta**  
Managing Director  
New Delhi

---

## CEO/CFO CERTIFICATION

To  
**The Board of Directors**  
**Dhampure Speciality Sugars Limited**

We the undersigned hereby certify that:

- a. We have reviewed the financial statements and the cash flow statement for the Financial Year 2017-18 and to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2017-18 which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud, if any, of which we have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-  
**Sorabh Gupta**  
Managing Director  
DIN:00227776

Sd/-  
**Ghanshyam Tiwari**  
Chief Financial Officer

13th August, 2018  
New Delhi

**JLN US & CO.**  
Chartered Accountants

444, 4<sup>TH</sup> FLOOR, SUNNY MART  
NEW AATISH MARKET MANSAROVAR  
JAIPUR-302019  
E-mail:nkj81@Rediffmail.com

**CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS ON CORPORATE  
GOVERNANCE UNDER SEBI  
(Listing Obligation and Disclosure Requirement) Regulation 2015**

To,  
The Members of  
**DHAMPURE SPECIALITY SUGARS LIMITED**

We have examined the compliance of the conditions of Corporate Governance by DHAMPURE SPECIALITY SUGARS LIMITED for the year ended 31<sup>st</sup> March, 2018, as stipulated in Regulation of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 of said company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2018, no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Company and presented to the Shareholders/ Investors' Grievance/Share Transfer and Transmission Committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

*for* **JLN US& Co. LLP**  
Chartered Accountants  
F.R.N.: 101543W

S/d  
**NEERAJ KUMAR JAIN**  
Partner  
M. No.: F 408211

Place: New Delhi  
Dated: 29<sup>th</sup> May 2018

## INDEPENDENT AUDITORS' REPORT

### **JLN US & CO.**

*Chartered Accountants*

444, 4<sup>TH</sup> FLOOR, SUNNY MART  
NEW AATISH MARKET MANSAROVAR  
JAIPUR-302019  
E-mail:nkj81@Rediffmail.com

To  
The Members of  
**Dhampure Speciality Sugars Limited**  
**Report on the Standalone Financial Statements**

#### Independent Auditor's Report

We have audited the accompanying standalone Ind AS financial statements of Dhampure Speciality Sugars Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

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

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and as per information and explanations given to us during the course of audit, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss, (including other comprehensive income) the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;
  - (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements to the standalone Ind AS financial statements;
    - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the standalone Ind AS financial statements;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

for **JLN US & Co.**  
Chartered Accountants  
F.R.N.: 101543W

Place: New Delhi  
Dated: 29<sup>th</sup> May 2018

S/d  
NEERAJ KUMAR JAIN  
Partner  
M. No.: F 408211



## **ANNEXURE "A" TO THE AUDITOR'S REPORT (Dhampure Speciality Sugars Limited)**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) As explained to us, the inventory has been physically verified at reasonable intervals by the management.
  - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business
  - (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to books records were not material.
- (iii) The Company has granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
  - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and security made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the company examined by us there are no disputes and dues with Income Tax, Sales Tax, Wealth Tax, Service, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues which have remained outstanding as at 31-03-2018 for a period of more than six months from the date they became payable, however an income tax demand i.e. assessed U/s 143(3) for the Assessment year 2009-10 of Rs. 75,967/- and for the Assessment Year 2010-11 of Rs. 47,750/- are yet to deposit or to adjust with Income Tax Refund receivable from the income tax department and demand of Central Excise Duty of Rs. 52,40,976/- (including interest of Rs. 15,22,721/-) for the period from F.Y. 2007-08 to 2014-15. The Matter is pending with the Customs, Excise & Service Tax Appellate Tribunal, New Delhi.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment of 3,75,000 equity shares of Rs.17/-each (including Premium of Rs.7/-) to promoter of the company during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **JLN US & Co.**  
Chartered Accountants  
F.R.N.: 101543W

Place: New Delhi  
Dated: 29<sup>th</sup> May 2018

S/d  
**NEERAJ KUMAR JAIN**  
Partner  
M. No.: F 408211

## ANNEXURE "B" TO THE AUDITOR'S REPORT (Dhampure Speciality Sugars Limited)

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

We have audited the internal financial controls over financial reporting of Dhampure Speciality Sugars Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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.

Place: New Delhi

Dated: 29<sup>th</sup> May 2018

S/d  
**NEERAJ KUMAR JAIN**  
Partner  
M. No.: F 408211

For **JLN US & Co.**  
Chartered Accountants  
F.R.N.: 101543W

**DHAMPURE SPECIALITY SUGARS LIMITED**  
**BALANCE SHEET AS AT 31st MARCH 2018**

(Standalone)	Notes	(Figures in Rs) As at 31.03.2018	As at 31.03.2017
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	3	36,852,264	32,787,596
Deferred Tax Assets (net)		10,914,056	11,595,528
Non-Current Investments	4	25,908,553	66,272,291
Other Non Current Assets	5	114,690,397	56,494,435
<b>TOTAL NON CURRENT ASSETS</b>		<b>188,365,270</b>	<b>167,149,850</b>
<b>CURRENT ASSETS</b>			
Inventories	6	16,142,710	19,875,365
Trade Receivables	7	18,644,484	34,585,636
Cash and Cash Equivalents	8	2,196,744	3,528,689
Other Current Assets	9	4,302,005	4,264,117
<b>TOTAL CURRENT ASSETS</b>		<b>41,285,943</b>	<b>62,253,807</b>
<b>TOTAL ASSETS</b>		<b>229,651,213</b>	<b>229,403,657</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	75,362,000	71,612,000
Other Equity	11	131,171,272	127,689,617
<b>Total Equity</b>		<b>206,533,272</b>	<b>199,301,617</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
Other Non Current Liabilities	12	-	-
Long Term Provision	13	1,545,011	1,352,440
<b>Total Non Current Liabilities</b>		<b>1,545,011</b>	<b>1,352,440</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payables	14	16,233,468	23,528,239
Short Term Provision	15	343,692	1,894,640
Other Current Liabilities	16	4,995,769	3,326,723
<b>Total Current Liabilities</b>		<b>21,572,930</b>	<b>28,749,602</b>
<b>Total Equity &amp; Liabilities</b>		<b>229,651,213</b>	<b>229,403,659</b>

The accompanying notes are an integral part of the financial statements as per our report of even date

For **JLN US & Co.**

Chartered Accountants  
Firm Regn. No. 101543W

S/d  
**(Neeraj Kumar Jain)**  
Partner  
M.No. : F-0408211  
Place - New Delhi  
Dated : 29.05.2018

S/d  
**Sorabh Gupta**  
Managing Director  
DIN- 00227776

S/d  
**Murli Manohar**  
Director  
DIN - 01173857

S/d  
**HARISH GOSWAMI**  
COMPANY SECRETARY

S/d  
**GHANSHYAM TIWARI**  
CFO

Registered Office:-  
Village- Pallawala, Tehsil-Dhampur  
Distt-Bijnor, U.P. - 246761

# 26th ANNUAL REPORT

## DHAMPURE SPECIALITY SUGARS LMTIED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2018

(Standalone)	Notes	(Figures in Rs)	
		As at 31.03.2018	As at 31.03.2017
Revenue on Operations	17	84,398,272	229,345,538
Other Income, net	18	3,162,323	2,291,372
<b>Total Income</b>		<b>87,560,595</b>	<b>231,636,910</b>
<b>EXPENSES</b>			
Cost of Material Consumed	19	61,174,900	202,368,850
Increase/decrease in Inventories	20	-2,250,832	-1,992,775
Employee Benefit expenses	21	12,342,811	10,897,262
Deferred consideration pertaining to acquisition			
Finance Cost	22	384,941	497,864
Depreciation and amortisation expenses	23	1,176,421	992,943
Other Expenses	24	12,928,667	10,950,038
<b>Total Expenses</b>		<b>85,756,908</b>	<b>223,714,181</b>
<b>Profit before Tax</b>		<b>1,803,687</b>	<b>7,922,728</b>
<b>Tax Expenses</b>			
Current Tax		343,692	1,894,640
Deferred Tax		681,128	810,199
Income tax for earlier year		-78,135	39,889
Prior Period Expenses		-	503,354
<b>Profit for the period</b>		<b>857,001</b>	<b>4,674,647</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be classified subsequently to profit or loss</b>			
Remeasurement of the net defined benefit liability/assets		-	-
Equity Instruments through other comprehensive income			
Income Tax relating to items that will not be reclassified to profit or loss			
<b>Items that will classified subsequently to profit or loss</b>			
Fair Value changes on cash flow hedges, net		363,910	
Fair Value changes on investments, net		61,937	-323,000
Income Tax relating to items that will be reclassified to profit or loss		131,587	-
<b>Total other comprehensive income, net of tax</b>		<b>294,260</b>	<b>-323,000</b>
<b>Total Comprehensive Income for the period</b>		<b>1,151,261</b>	<b>4,351,647</b>
<b>Earnings per equity share</b>			
Equity shares of par value Rs. 10/- each			
Basic (Rs)		0.15	0.61
Diluted (Rs)		0.15	0.61

The accompanying notes are an integral part of the financial statements as per our report of even date

For **JLN US & Co.**

Chartered Accountants

Firm Regn. No. 101543W

S/d  
**(Neeraj Kumar Jain)**  
Partner  
M.No. : F-0408211  
Place - New Delhi  
Dated : 29.05.2018

S/d  
**Sorabh Gupta**  
Managing Director  
DIN- 00227776

S/d  
**Murli Manohar**  
Director  
DIN - 01173857

S/d  
**HARISH GOSWAMI**  
COMPANY SECRETARY

S/d  
**GHANSHYAM TIWARI**  
CFO

Registered Office:-  
Village- Pallawala, Tehsil-Dhampur  
Distt-Bijnor, U.P. - 246761

**STANDALONE CASH FLOW STATEMENT**  
**For the year ended 31st March, 2018**

S.No.	Particulars	Notes	Rs. In Thousand Year Ended 31.03.2018	Rs. In Thousand Year Ended 31.03.2017
<b>A.</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	Profit/(Loss) before extraordinary items and tax		1,804	7,923
	Adjustment for: Depreciation & Amortization		118	993
	(Profit)/Loss on Sale of Fixed Assets		-	-
	Finance Cost (Net)		385	498
	<b>Operating Profit before changes in Current Assets and Liabilities</b>		<u>2,307</u>	<u>9,414</u>
	Changes in Current Liabilities Increase/(Decrease)			
	Other Current Liabilities		(1,080)	9,606
	Changes in Current Assets (Increase)/Decrease			
	Other Current Assets		2,097	(36,161)
	Cash Generated From Operations		<u>3,324</u>	<u>(17,141)</u>
	Tax Expenses		603	2,353
	Cash Flow before extraordinary items		2,721	(19,494)
	Prior Period Items			
	<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<u>2,721</u>	<u>(19,997)</u>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
	Purchase of Fixed Assets		(5,241)	(10,462)
	Sale of Fixed Assets			6,726
	Provision for fall in the value of Non Current Investment		4,036	(2,070)
	Long term Loans & Advances		(5,820)	28,363
	<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>		<u>(7,025)</u>	<u>22,557</u>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Finance Cost (Net)		(385)	(498)
	Changes In Long Term Borrowing			
	Changes in Other Long Term Liabilities		193	
	Issue of Share Capital and share premium		3,164	-
	<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>		<u>2,972</u>	<u>(498)</u>
	<b>Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)</b>			<u>(1,332)</u>
<b>2,062</b>				
	<b>Cash and Cash Equivalents as at 01.04.2017</b>		<b>3,529</b>	<b>1,467</b>
	Cash and Cash Equivalents as at 31.03.2018		2,197	3,529

For **JLN US & Co.**  
 Chartered Accountants  
 Firm Regn. No. 101543W

S/d  
**(Neeraj Kumar Jain)**  
 Partner  
 M.No. : F-0408211  
 Place - New Delhi  
 Dated : 29.05.2018

**Registered Office:-**  
 Village- Pallawala, Tehsil-Dhampur  
 Distt-Bijnor, U.P. - 246761

For and on behalf of the Board of Directors of  
**Dhampure Speciality Sugars Ltd**

S/d  
**Murli Manohar**  
 Director  
 DIN - 01173857

S/d  
**Sorabh Gupta**  
 Managing Director  
 DIN- 00227776

S/d  
**Ghanshyam Tiwari**  
 CFO

S/d  
**Harish Goswami**  
 Company Secretary

# 26th ANNUAL REPORT

---

## SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31. 03. 2018

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS

#### 1. Company Overview and Significant Accounting Policies

##### Company overview

Dhampure Speciality Sugars Limited ('the Company') is a leading manufacturer, processor, dealers, sellers, importers and exporters of sugar product of every kind and description including inverted sugar, raw sugar, gur, khandsari, processed or manufactured by use of any of the products, bye products wastes or scraps of sugar mills either with or without conjunction or mixture of any other material, article or thing.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Village Pallawala, Uttar Pradesh, India. The company has its primary listings on the BSE Limited.

The financial statements are approved for issue by the Company's Board of Directors on May, 29, 2018.

#### 1.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Financial statements for the year ended march 31, 2018 are the companies first Ind AS Financial Statements. The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 *First time adoption of Indian Accounting Standards*. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 2. 1. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Functional and Presentation Currency Financial Statements are presented in Indian Rupees, which is functional currency of the company and the currency of the primary economic environment in which the company operates.

##### Basis of Measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated. Operating Cycle Based on the nature of product/activities of the company and normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

#### 1.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. 1. 3 Property Plant and Equipment (PPE)The company has elected to continue with the carrying value of all its properties, plant and equipment as recognized in the financial statements as at the date of transactions to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transaction date pursuant to the exemption under Ind AS 101

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

#### 1.4 Intangible assets and Amortization

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized

over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

### **1.5 Depreciation**

Depreciation is the systemation allocation of the depreciable amount PPE over its useful life and is provided on a straight line basis over the useful lives as prescribed in schedule II of the Act or as per technical assessment.

- a) Depreciation on fixed assets is provided on straight line method at the rates prescribed by the schedule II of the companies act, 2013 and in the manner as prescribed by it except assets costing less than Rupees 5000 on which depreciation is charged in full during the year.
- b) Intangible assets are amortized over their respective individual estimated useful life on straight line basis, commencing from the date the assets is available to the company for its use. The estimated useful lives of an identifiable intangible assets is based on a number of factors including the effects of obsolescence etc. The amortization method and useful lives are reviewed periodically at end of each financial year.

### **1.6 Valuation of inventories**

Inventories have been valued on First In First Out (FIFO) basis, at cost or net realizable whichever is less. Goods in transit are carried at cost.

### **1.7 Foreign currency**

- i. Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or at rates that closely approximate the rate at the date of the transaction.
- ii. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- iii. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- iv. Foreign exchange differences recorded as an adjustment to borrowing costs are presented in the statement of profit and loss, as a part of finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.
- v. In case of long term monetary items outstanding as at the end of year. Exchange differences arising on settlement/ restatement there of are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period/up to the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and loss.

### **1.8 Dividends**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

### **1.9 Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of minimum lease payments at the inception of lease, whichever is lower. Lease under which the risks and rewards incidental to ownership are not transferred to lessee, is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term

### **2.0 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

#### **i) Initial Recognition and measurement**

On initial recognition all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial



## 26th ANNUAL REPORT

---

asset or financial liability measured at fair value through profit or loss ("FVTPL). Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

### ii) **Subsequent measurement**

#### a) **Financial assets carried at amortized cost**

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

#### b) **Financial assets at fair value through other comprehensive income (FVTOCIZ)**

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

#### c) **Financial assets at fair value through profit or loss (FVTPL)**

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

#### d) **Investments in subsidiaries, joint ventures and associates**

The Company has adopted to measure investments in subsidiaries. Joint ventures and associates at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with 1st AS 101.

#### e) **Financial liabilities**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities, Financial liabilities at FVTPL Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held/or trading are recognised in the Statement of Profit and Loss.

#### **Other Financial liabilities**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date. the carrying amounts approximate fair value due to the short maturity of these instruments.

### iii) **Derecognition of financial instruments**

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

### iv. **Fair value measurement of financial instruments**

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cashflow analysis and valuation certified by the external valuer. In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

## 2.1 **Impairment of Assets**

### i) **Financial Assets**

In accordance with 1st AS 109, the company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

### ii) **Non-Financial Assets**

The carrying amounts of the Company's tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount

is estimated in order to determine the extent of the impairment loss, if any. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cashflows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

## **2.2 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

- (a) Revenue is recognised at the fair value of the consideration received or receivable. The amount disclosed as revenue is net of returns, trade discounts, value added tax, Goods and Services Tax (GST). Provisions/or rebates discount and return are estimated and provided for in the year of sales and recorded as reduction of revenue.
- b) Dividend income is accounted for when the right to receive the income establish.

## **2.3 Interest**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Income from interest is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

## **2.4 Income Taxes**

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax' during the specified period.

## **2.5 Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## **2.6 Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be continued only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

## 2.7 Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating the 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. The dilutive potential equity shares are deemed converted as at beginning of the period, unless they have been issued at a later date.

## 2.8 Employee Retirement benefits

### i) Short term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period employee renders the related service.

### ii) Post employment benefits

Defined contribution plans—Retirement benefits in the form of provident fund is a defined contribution scheme, The company has no obligation, other than the contribution payable to the provident fund. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Defined benefit plans Gratuity

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity payment plan provides for a lump sum payment to the vested employees at retirement, death, incapacitation while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. Re-measurements comprising of actuarial gains and losses, are recognised in other comprehensive income which are not reclassified to profit or loss in the subsequent periods.

### iii) Long Term Employee Benefits Leave Encashment

The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

## 2.9 Segment Reporting

The company operates in one reportable business segment i.e. "Manufacturing and trading of sugars and allied activities"

## 3.0 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments,

## 4.0 Provisions

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that

is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. **Company faced theft of Fund by unknown person (Mr. Abdual Latif – as mention in bank statement) during the financial year amounting of Rs 2,47,230/ from the account of PNB branch Muradabad Account No. 3942008700000797. The Comapny pursued the matter from bank and bank already lodged FIR u/s 154 of CRPC Act on 09th of March 2018.**

**a. Post sales client support**

The Company provides its clients with a fixed-period post sales support for corrections of errors and support on all its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded in the Statement of Profit and Loss. The company estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

**b. Onerous contracts**

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the company recognizes any impairment loss on the assets associated with that contract.

**2 Notes to the standalone financial statements for the year ended March 31, 2018**

**2.a. First-time adoption of Ind-AS**

These standalone interim financial statements of Dhampure Speciality Limited Limited for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - *First Time adoption of Indian Accounting Standard*, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

**b. Exemptions availed on first time adoption of Ind-AS 101**

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

**(i) Share-based payment**

The Company is allowed to apply Ind AS 102 Share-based payment to equity instruments that remain unvested as of transition date. The Company has elected to avail this exemption and apply the requirements of Ind AS 102 to all such grants under the 2015 plan (formerly 2011 plan). Accordingly, these options have been measured at fair value as against intrinsic value previously under IGAAP.

The excess of stock compensation expense measured using fair value over the cost recognized under IGAAP using intrinsic value has been adjusted in 'Share Option Outstanding Account', with the corresponding impact taken to the retained earnings as on the transition date.

**(ii) Designation of previously recognized financial instruments**

**c. Payment To Auditors**

Particulars	31. 03. 2018	31. 03. 2017
Audit Fees	22000	22000
GST/SERVICETAX	3960	2300
<b>Total</b>	<b>25960</b>	<b>25300</b>

**d. Calculation of Earnings per Share (EPS)**

	31. 03. 2018	31. 03. 2017
Net Profit/(Loss) for the period (Rs.)	1151261	4351647
Weighted average number of equity shares (Nominal Value of Rs. 10/- per share)	7536200	7161200
Basic & Diluted earnings per Share (Rs.)	0.15	0.61

**e. Related party disclosure as required under Indian Accounting Standard**

**a. Related Parties**

**Name**

## 26th ANNUAL REPORT

---

i. Subsidiaries Company

1. Dhampur Green Private Limited
2. Sun Burst Services Private Limited

ii. **Associate Company**

**Nil**

i. Key Management Personnel

Mr. Sorabh Gupta, Managing Director  
Mr. Ghanshyam Tiwari, Chief Financial Officer  
Mr. Haish Goshwami, Company Secretary

Nil

ii. Relatives of key Management personnel with whom the company has transactions during the year.

Nil

iii. Entities over which management personnel/relatives of key management personnel are able to exercise significant influence in which the company has transactions.

b. Transaction with Related Parties

1. DHAMPUR ALCO CHEM LTD

Opening balance Rs. 1,27,17,594 and amount paid during the year Rs. 6,89,43,402 and received Rs. 21851125/- Closing balance 5,98,09,871 Dr.

2. SUN BURST SERVICES PRIVATE LIMIED

Opening balance Rs. 1,99,50,000/- (DR) and amount paid during the year Rs. 2,22,72,820 closing balance Rs. 4,22,22,820/- (DR)

3. DHAMPUR GREEN PRIVATE LIMITED

Opening balance Rs. 8,85,168 and amount paid during the year Rs. 21,66,947, goods purchased for Rs. 13,98,900/- and received Rs. 2,57,978/- Closing balance 1,17,121 Dr.

f. **IMPAIRMENT**

It is the view of management that there are impairment conditions that exists as on 31st, March 2018. Hence, no provision is required in the accounts for the year under review.

g. **TAXES**

As required by Accounting Standard "Income Taxes" i.e. (Ind-As-12) issued by the Institute of Chartered Accountant of India deferred Tax assets on accumulated losses is recognized as a matter of prudence.

h. **OTHER SIGNIFICANT DISCLOSURES**

- a) In the opinion of the board, the assets, except stated otherwise, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and the provision for depreciation and for all known liabilities is adequate and standalone reasonable.
- b) Balance with the parties under the head current liabilities, long term loans and advances, trade receivables, bank balances, short term loans and advances are subject to confirmation.
- c) Sales tax assessment to earlier years are in progress, Demand, if any, shall be accounted for, on the completion of assessments.
- d) Previous years figures have been recognized and rearranged whenever necessary to suit the present year layout.



**M/S DHAMPURE SPECIALITY SUGARS LIMITED**

**10 : FIXED ASSETS SCHEDULE AS ON 31.03.2018 as per Schedule-2 of The Companies Act, 2013**  
**TANGIBLE ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION						Carrying Value		
	As on 01/04/17	Addition during the year	Sales/Adj during the year	Total As on 31.3.18	Opening Dep. as on 01.04.2017	Dep. on Opening Block	Dep. on Addition as on 31.03.18	Total Depreciation for year	SAVAGE Value	Sales/Adj during the year	Total Depreciation as on 31.03.18	As on 31.03.18	As on 31.03.18
LAND	5,394,765	-	-	5,394,765	-	-	-	-	-	-	-	5,394,765	5,394,765
BUILDING	22,824,783	-	-	22,824,783	11,406,168	749,377	-	749,377	1,141,239	-	12,155,545	22,075,406	22,824,783
<b>PLANT &amp; MACHINERY</b>													
PLANT & MACHINERY	3,117,338	150,388	-	3,267,725	61,241,614	322,333	4,590	326,923	155,867	-	61,568,537	2,940,802	3,117,338
ELECTRICAL INSTALLATION	141,640	-	-	141,640	1,242,281	10,014	-	10,014	7,082	-	1,252,295	131,626	141,640
GENERATOR SETS	21,333	-	-	21,333	1,859,022	1,013	-	1,013	-	1,860,035	20,320	21,333	21,333
LABORATORY EQUIPMENTS	35,652	-	-	35,652	321,795	1,693	-	1,693	1,783	-	323,488	33,959	35,652
<b>Sub-Total</b>	<b>3,315,963</b>	<b>150,388</b>	-	<b>150,388</b>	<b>64,664,712</b>	<b>335,053</b>	<b>4,590</b>	<b>339,643</b>	<b>165,798</b>	-	<b>65,004,355</b>	<b>3,126,707</b>	<b>3,315,963</b>
COMPUTERS	9,866	-	-	9,866	4,377,010	1,599	-	1,599	168,647	-	4,378,609	8,267	9,866
OFFICE EQUIPMENT	818,159	19,661	-	837,820	2,479,763	50,582	525	51,107	336,228	-	2,530,870	786,713	818,159
FURNITURE & FIXTURE	395,966	553,379	-	949,345	797,653	25,065	6,961	32,026	670,674	-	829,679	917,319	395,966
VEHICLES	28,094	-	-	28,094	6,108,140	2,669	-	2,669	1,175,549	-	6,110,809	25,425	28,094
Building Under Construction	-	4,517,662	4,517,662	4,517,662	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>32,787,596</b>	<b>5,241,089</b>	-	<b>34,712,722</b>	<b>89,833,446</b>	<b>1,164,345</b>	<b>12,076</b>	<b>1,176,421</b>	<b>3,658,136</b>	-	<b>91,009,867</b>	<b>36,852,264</b>	<b>32,787,596</b>
<b>PREVIOUS YEAR</b>	<b>30,043,823</b>	<b>10,462,256</b>	<b>6,725,540</b>	<b>33,780,539</b>	<b>88,817,209</b>	<b>637,523</b>	<b>355,420</b>	<b>992,943</b>	-	-	<b>89,810,152</b>	<b>32,787,596</b>	<b>30,043,82</b>

**4 NON CURRENT INVESTMENTS**

Name of Script	Opening Balance As at 1.04.2017		Purchase During the year		Sold During the year		Closing Balance As at 31.03.2018		Closing Balance As at 31.03.2017	
	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
<b>"A" QUOTED SHARES</b>										
East India Hotel Ltd.	200	13543	-	-	100	6771	100	6772	200	13543
Eiha Hotels	100	11281	-	-	-	-	100	11281	100	11281
Gee Kay Exim 249200	56000	249200	-	-	-	56000	249200	-	-	56000
InformationTech	5000	84017	-	-	5000	84017	-	-	5000	84017
Maharashtra Krishna Valley Bond	1	23750	-	-	1	23750	-	-	1	23750
K S Oils Limited	-	-	200	86	200	86	-	-	-	-
<b>Sub_total "A"</b>	<b>61301</b>	<b>381791</b>	<b>200</b>	<b>86</b>	<b>61301</b>	<b>363824</b>	<b>200</b>	<b>18053</b>	<b>61301</b>	<b>381791</b>
<b>"B" UNQUOTED SHARES</b>										
Magic Software Pvt. Ltd.	10000	1000000	-	-	-	-	10000	1000000	10000	1000000
United Service Pvt. Ltd.	500	5000	-	-	-	-	500	5000	500	5000
Dhampur Health Care Pvt Ltd (Leisure Furnishing Pvt Ltd)	10000	10000	-	-	-	-	10000	10000	10000	10000
Dhampur Rise Pvt Ltd (Mumbai Airport Hospitality Pvt Ltd)	10000	10000	-	-	-	-	10000	10000	10000	10000
Dhampur Green Pvt Ltd (S. T.Food Pvt Ltd)	10000	10000	-	-	-	-	10000	10000	10000	10000
Ujjwal Microfinance Pvt Ltd	10000	30000	-	-	-	-	10000	30000	10000	30000
Amit Marketing	272550	2725500	-	-	-	-	272550	2725500	272550	2725500
Radish I. T. Solutions Pvt Ltd	600000	60000000	-	-	400,000	40,000,000	200000	20000000	600000	60000000
Trustone Wegmans Developers Pvt Ltd	10000	100000	-	-	-	-	10000	100000	10000	100000
Vedic Organic Products Pvt Ltd	200000	2000000	-	-	-	-	200000	2000000	200000	2000000
<b>Sub_total "B"</b>	<b>1133050</b>	<b>65890500</b>	<b>-</b>	<b>-</b>	<b>400,000</b>	<b>40,000,000</b>	<b>733050</b>	<b>25890500</b>	<b>1133050</b>	<b>65890500</b>
<b>GRAND TOTAL (A+B)</b>	<b>1194351</b>	<b>66272291</b>	<b>200</b>	<b>86</b>	<b>461301</b>	<b>40363824</b>	<b>733250</b>	<b>25908553</b>	<b>1194351</b>	<b>66272291</b>
Previous year	71801	1386791					984351	64172291		
Market Value of quoted Shares		380257						79990		

---

**Notes to financial statements for the year ended 31st March, 2018**


---

	As at 31.03.2018	As at 31.03.2017
<b>5 Other Non-Current Assets, Loans and Advances</b>		
( Unsecured, considered good unless stated otherwise )		
(i) Security Deposits	224,800	2,383,800
(ii) Loan & advances to related parties (note 26)	103,512,691	17,836,907
(iii) Loan & advances to others	10,952,906	36,273,728
(iv) Branch Division	0	-
	<u>114,690,397</u>	<u>56,494,435</u>
<b>6 Inventories (valued at lower of cost and net relizable value)</b>		
(As certified by the Management)		
(i) Raw Material	7,460,423	9,814,888
(ii) Finished Goods	3,266,064	4,294,477
(iii) Stock -in- Trade	3,840,577	250,035
(iv) Stores & Spares	1,575,645	5,515,966
	<u>16,142,710</u>	<u>19,875,365</u>
<b>7 Trade receivables</b>		
( Unsecured, considered good unless stated otherwise )		
(i) Outstanding for more than six months	2,728,090	28,674,418
(ii) Outstanding for less than six months	15,916,395	5,911,219
	<u>18,644,484</u>	<u>34,585,636</u>
<b>8 Cash and Cash Equivalents</b>		
(i) Balance with Banks on Current Accounts	369,909	2,582,299
(ii) Cash in hand	1,503,073	636,709
(iii) Fixed Deposits		323,762
309,681		
	<u>2,196,744</u>	<u>3,528,689</u>
<b>9 Other Current Assets</b>		
(i) Advanced recoverable in cash or in kind	268,205	-
(ii) Prepaid Expenses	93,337	125,183
<b>Balance with Government Authorities</b>		
(iii) Advance Income tax	900,000	1,700,000
(iv) VAT Receivable	1,407,230	935,858
(v) Balance with Excise Deptt.	1,271,310	1,195,580
(vi) Service Tax Recoverable	74,350	4,200
(vii) TDS	287,573	303,296
	<u>4,302,005</u>	<u>4,264,117</u>



# 26th ANNUAL REPORT

	As at 31.03.2018	As at 31.03.2017
<b>10 Share Capital</b>		
<b>Authorised</b>		
2,50,00,000 Equity Shares of Rs. 10/- each Issued , Subscribed and paid up Shares	250000000	250000000
7536200 Equity Shares of Rs. 10/- each fully paid up in cash (P.Y. 7161200 Equity Shares of Rs. 10/- each fully paid up in cash)	<u>75362000</u>	<u>71612000</u>
<b>The Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :</b>		
<b>Equity Shares</b>	No.	Rupees
At the beginning of the period	7,161,200	71,612,000
Add : Issued during the period	<u>375,000</u>	<u>3,750,000</u>
Outstanding at the end of the period	<u>7,536,200</u>	<u>75,362,000</u>
(a) Terms/rights attached to equity shares "The company has only one class of equity shares having par value of Rs. 10/- per share." Each holder of equity shares is entitled to one vote per shares. "		
(b) "Aggregate number of bonus shares issued, shares issued for consideration other than cash" and shares bought back during the period of five years immediately preceding the reporting date : N.A."		
(c) Details of shareholders holding more than 5% shares in the company		
	No.	No.
	"% holding in "the class"	"% holding in "the class"
Equity shares of Rs. 10 each fully paid		
Mr. Sorabh Gupta	3116813	41
Mrs. Reena Gupta	692250	9
	<b>3809063</b>	<b>51</b>
		<b>3420463</b>
		<b>48</b>
(d) "As per records of the company, including its register of shareholders/members and "other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares."		
(e) During last 5 years immediately preceding the balance sheet date, no Equity Shares or Preference Shares has been issued pursuant to any contract without payment being received in cash. Further the company has neither allotted any share by way of bonus shares, nor it had bought back any Equity or Preference Share during aforesaid period of 5 years.		
(e) No Shares have been Forfeited by the company during the year.		
<b>12 Others Long-Term Liabilities</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
Advance from Customers (Others)	-	-
<b>13 Long-Term Provision</b>		
Provision for Gratuity	1,545,011	1,352,440
<b>14 Trade Payables</b>		
Sundry Creditors	16,233,468	23,528,239
	<u>16,233,468</u>	<u>23,528,239</u>
<b>15 Short -Term Provision</b>		
Provision for Income Tax	343,692	1,894,640
	<u>343,692</u>	<u>1,894,640</u>
<b>16 Other Current Liabilities</b>		
(i) Advance from customers	306,934	1,649,200
(ii) Expenses Payable	1,335,709	1,380,163
(iii) Duties & taxes Payable	69,417	297,360
(iv) Advance from Director	3,283,709	-
	<u>4,995,769</u>	<u>3,326,723</u>

	As at 31.03.2018	As at 31.03.2017
<b>17 Revenue from Operations</b>		
Sales of Products		
(i) Domestic Sales	81,361,395	228,441,335
(ii) Export Sales	3,199,840	4,222,660
(iii) Less : Sales Return	162,963	3,318,457
	<b>84,398,272</b>	<b>229,345,538</b>
<b>18 Other Income</b>		
(i) Interest Income	448,980	625,569
(ii) Commission Income	2,781	1,180,401
(iii) Agricultural Income	400,003	354,403
(iv) Miscellaneous Income	126,203	-
(v) Sundry Balance Written off	2,184,356	-71,222
(vi) Foreign Exchange Fluctuation	-	-198
(vii) Miscellaneous Income	-	9,450
(viii) Income from Lease Rent	-	192,969
<b>Total</b>	<b>3,162,323</b>	<b>2,291,372</b>
<b>19 Cost of Material Consumed</b>		
Opening Stock	15,580,889	2,496,257
Purchase	55,083,213	215,167,961
Consumption of stores and spares	108,200	285,520
	70,772,301	217,949,738
Less : Closing Stock	9,597,401	15,580,888
Net consumption	<b>61,174,900</b>	<b>202,368,850</b>
<b>20 Increase/decrease in Inventories</b>		
Inventories at the end of the year Finished Goods	6,545,308	4,294,477
Inventories at the beginning of the year Finished Goods	4,294,477	2,301,702
Net (increase)/decrease in Inventories	<b>-2,250,832</b>	<b>-1,992,775</b>
<b>21 Employee Benefits Expenses</b>		
(a) Salaries & Wages	7,822,581	6,728,389
(b) Bonus	687,402	353,704
(c) Directors Remuneration	2,426,334	2,400,000
(d) Contribution to Provident Fund & ESIC	650,830	312,227
(e) Gratuity	192,571	120,744
(f) Staff Welfare Expenses	171,060	982,198
(g) Leave Encashment	392,033	-
	<b>12,342,811</b>	<b>10,897,262</b>
<b>22 Finance Costs</b>		
(a) Interest paid	214,255	309,059
(b) Bank Charges	28,912	28,874
(c) Processing Fee	138,000	137,400
(d) Interest on Govt. Duties	3,774	22,531
	<b>384,941</b>	<b>497,864</b>
<b>23 Depreciation and amortization expenses</b>		
Depreciation	1,176,421	992,943
	1,176,421	992,943
<b>24 Other Expenses</b>		
(a) Auditors Remuneration ( as Audit Fee)	25,960	25,300
(b) Business Promotion	2,330,241	774,641
(c) Communication Expenses	495,837	600,540
(d) Exports Expenses	282,950	430,218
(e) ROC Filling Fee	26,800	27,600
(f) Freight Expenses	839,738	1,827,665
(g) Insurance Charges	19,260	27,564
(h) Legal & Professional Charges	1,477,420	1,021,149
(i) Misc. Expenses	2,745,050	1,208,307
(j) Power & fuel	1,046,020	845,434
(k) Printing & Stationery	223,585	465,539
(l) Rent, Rates & Taxes	953,989	749,493
(m) Rebates & Discount	93,822	59,306
(n) Repair & Maintenance	861,729	1,107,410
(o) Security Expenses	367,052	223,332
(p) Share Listing Expenses	130,162	324,076
(q) Tour, Travelling & Conveyance	925,035	1,195,688
(r) Vehicle Repair & Maintenance	84,018	36,776
	<b>12,928,667</b>	<b>10,950,038</b>

## **JLN US & CO.**

*Chartered Accountants*

444, 4<sup>TH</sup> FLOOR, SUNNY MART  
NEW AATISH MARKET MANSAROVAR  
JAIPUR-302019  
E-mail:nkj81@Rediffmail.com

### **Independent Auditor's Report To the Members of Dhampure Speciality Sugars Limited**

#### **Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying Consolidated Ind AS financial statements of Dhampure Speciality Sugars Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Consolidated Ind AS financial statements").

#### **Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 including the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and as per information and explanations given to us during the course of audit, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss, (including other comprehensive income) the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;
  - (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statements to the Consolidated Ind AS financial statements;
    - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the Consolidated Ind AS financial statements;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

**For JLN US & Co.**

Chartered Accountants  
F.R.N.: 101543W

S/d  
**NEERAJ KUMAR JAIN**  
Partner  
M. No.: F 408211

Place: New Delhi  
Dated: 29<sup>th</sup> May 2018

## **JLN US & CO.**

*Chartered Accountants*

444, 4<sup>TH</sup> FLOOR, SUNNY MART  
NEW AATISH MARKET MANSAROVAR  
JAIPUR-302019  
E-mail:nkj81@Rediffmail.com

### **Annexure - A to the Auditors' Report Dhampure Speciality Sugars Limited**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Consolidated Ind AS financial statements for the year ended 31 March 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) As explained to us, the inventory has been physically verified at reasonable intervals by the management.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business
- (c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to books records were not material.
- (iii) The Company has granted loans to Three bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
  - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees, and security made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the company examined by us there are no disputes and dues with Income Tax, Sales Tax, Wealth Tax, Service, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues which have remained outstanding as at 31-03-2018 for a period of more than six months from the date they became payable, however an income tax demand i.e. assessed U/s 143(3) for the Assessment year 2009-10 of Rs. 75,967/- and for the Assessment Year 2010-11 of Rs. 47,750/- are yet to deposit or to adjust with Income Tax Refund receivable from the income tax department and demand of Central Excise Duty of Rs. 52,40,976/- (including interest of Rs. 15,22,721/-) for the period from F.Y. 2007-08 to 2014-15. The Matter is pending with the Customs, Excise & Service Tax Appellate Tribunal, New Delhi.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Consolidated Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment of 3,75,000 equity shares of Rs.17/-each (including Premium of Rs.7/-) to managing director of the company during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For JLN US & Co.**  
Chartered Accountants  
F.R.N.: 101543W

S/d  
**NEERAJ KUMAR JAIN**  
Partner  
M. No.: F 408211

Place: New Delhi  
Dated: 29<sup>th</sup> May 2018

## **JLN US & CO.**

*Chartered Accountants*

444, 4<sup>TH</sup> FLOOR, SUNNY MART  
NEW AATISH MARKET MANSAROVAR  
JAIPUR-302019  
E-mail:nkj81@Rediffmail.com

### **Dhampure Speciality Sugars Limited**

#### **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of Dhampure Speciality Sugars Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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 JLN US & Co.**  
Chartered Accountants  
F.R.N.: 101543W

S/d  
**NEERAJ KUMAR JAIN**  
Partner  
M. No.: F 408211

Place: New Delhi  
Dated: 29<sup>th</sup> May 2018



# 26th ANNUAL REPORT

## DHAMPURE SPECIALITY SUGARS LIMITED CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2018

	Notes	(Figures in Rs) As at 31.03.2018	As at 31.03.2017
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	3	90,607,744	82,182,830
Deferred Tax Assets (net)		10,927,834	11,320,307
Non-Current Investments	4	25,908,553	66,212,291
Other Non Current Assets	5	72,467,577	36,755,935
<b>TOTAL NON CURRENT ASSETS</b>		<b>199,911,708</b>	<b>196,471,363</b>
<b>CURRENT ASSETS</b>			
Inventories	6	16,142,710	21,347,976
Trade Receivables	7	19,479,037	33,639,161
Cash and Cash Equivalents	8	4,783,732	5,851,505
Other Current Assets	9	5,871,401	5,247,265
<b>TOTAL CURRENT ASSETS</b>		<b>46,276,881</b>	<b>66,085,906</b>
<b>TOTAL ASSETS</b>		<b>246,188,589</b>	<b>262,557,269</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	75,562,000	72,012,000
Other Equity		139,559,459	133,411,098
<b>Total Equity</b>		<b>215,121,459</b>	<b>205,423,098</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
Other Non Current Liabilities	11	2,060,000	1,272,000
Long Term Provision	12	1,545,011	1,352,440
Deferred Tax Liabilities		10,203	-
<b>Total Non Current Liabilities</b>		<b>3,615,214</b>	<b>2,624,440</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payables	13	16,756,321	24,297,347
Short Term Provision	14	343,692	1,886,718
Other Current Liabilities	15	10,351,900	28,325,665
<b>Total Current Liabilities</b>		<b>27,451,914</b>	<b>54,509,730</b>
<b>Total Equity &amp; Liabilities</b>		<b>246,188,588</b>	<b>262,557,268</b>

The accompanying notes are an integral part of the financial statements as per our report of even date

For **JLN US & Co.**  
Chartered Accountants  
Firm Regn. No. 101543W

S/d  
**(Neeraj Kumar Jain)**  
Partner  
M.No. : F-0408211  
Place - New Delhi  
Dated : 29.05.2018

**Registered Office:-**  
Village- Pallawala, Tehsil-Dhampur  
Distt-Bijnor, U.P. - 246761

S/d  
**Sorabh Gupta**  
Managing Director  
DIN- 00227776

S/d  
**HARISH GOSWAMI**  
COMPANY SECRETARY

S/d  
**Murli Manohar**  
Director  
DIN - 01173857

S/d  
**GHANSHYAM TIWARI**  
Chief Financial Officer

---

**DHAMPURE SPECIALITY SUGARS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2018**

---

	Notes	(Figures in Rs) As at 31.03.2018	As at 31.03.2017
Revenue on Operations	16	85,935,136	231,118,386
Other Income, net	17	8,491,071	8,380,326
<b>Total Income</b>		<b>94,426,207</b>	<b>239,498,713</b>
<b>EXPENSES</b>			
<b>Cost of Material Consumed</b>	18	62,647,510	204,609,528
Increase/decrease in Inventories	19	-2,250,832	-2,859,279
Employee Benefit expenses	20	12,342,811	10,897,262
Deferred consideration pertaining to acquisition		-	
Finance Cost	21	2,377,875	2,880,844
Depreciation and amortisation expenses	22	1,805,613	1,646,262
Other Expenses	23	13,117,856	11,266,682
<b>Total Expenses</b>		<b>90,040,834</b>	<b>228,441,299</b>
<b>Profit before Tax</b>		4,385,373	11,057,414
<b>Tax Expenses</b>			
Current Tax		343,692	1,886,718
Deferred Tax		474,824	959,986
Income tax for earlier year		-78,135	39,889
Prior Period Expenses		210,724	728,483
<b>Profit for the period</b>		<b>3,434,268</b>	<b>7,442,338</b>
<b>Other Comprehensive Income</b>			
Items that will not be classified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/assets			
Equity Instruments through other comprehensive income			
Income Tax relating to items that will not be reclassified to profit or loss			
<b>Items that will classified subsequently to profit or loss</b>			
Fair Value changes on cash flow hedges, net		363910	-
Fair Value changes on investments, net		61937	-323000
Income Tax relating to items that will be reclassified to profit or loss		131587	-
<b>Total other comprehensive income, net of tax</b>		<b>294,260</b>	<b>-323,000</b>
<b>Total Comprehensive Income for the period</b>		<b>3,728,528</b>	<b>7,119,338</b>
Earnings per equity share			
Equity shares of par value Rs. 10/- each			
<b>Basic (Rs)</b>		0.49	0.99
<b>Diluted (Rs)</b>			

The accompanying notes are an integral part of the financial statements as per our report of even date

For **JLN US & Co.**

Chartered Accountants  
 Firm Regn. No. 101543W

S/d  
**(Neeraj Kumar Jain)**  
 Partner  
 M.No. : F-0408211  
 Place - New Delhi  
 Dated : 29.05.2018

S/d  
**Sorabh Gupta**  
 Managing Director  
 DIN- 00227776

S/d  
**Murli Manohar**  
 Director  
 DIN - 01173857

S/d  
**HARISH GOSWAMI**  
 COMPANY SECRETARY

S/d  
**GHANSHYAM TIWARI**  
 CFO

Registered Office:-  
 Village- Pallawala, Tehsil-Dhampur  
 Distt-Bijnor, U.P. - 246761

# 26th ANNUAL REPORT

## DHAMPURE SPECIALITY SUGARS LIMITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

	Notes	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(Loss) before extraordinary items and tax		4,385	11,057
<b>Adjustment for:</b>			
Depreciation & Amortization		1805	1646
(Profit)/Loss on Sale of Fixed Assets		-	-
Finance Cost (Net)		2,378	2,881
<b>Operating Profit before changes in Current Assets and Liabilities</b>		<u><b>8,568</b></u>	<u><b>15,584</b></u>
<b>Changes in Current Liabilities Increase/(Decrease)</b>			
Other Current Liabilities		(30,713)	10,156
Changes in Current Assets (Increase)/Decrease			
Other Current Assets		19,809	(35,410)
<b>Cash Generated From Operations</b>		<u><b>(2,336)</b></u>	<u><b>(9,670)</b></u>
Tax Expenses		343	(2,847)
Cash Flow before extraordinary items		(2,679)	(6,823)
Prior Period Items			
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>		<u><b>(2,679)</b></u>	<u><b>(6,823)</b></u>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets		(3,230)	(10,737)
Sale of Fixed Assets			
Provision for fall in the value of Non Current Investment		4,036	(2,100)
Long term Loans & Advances		(973)	25,132
<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>		<u><b>(167)</b></u>	<u><b>12,295</b></u>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Finance Cost (Net)		(2,378)	(2,881)
Changes In Long Term Borrowing			
Changes in Other Long Term Liabilities		991	85
Issue of Share Capital and share premium		3,164	121
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>		<u><b>1,777</b></u>	<u><b>(2,675)</b></u>
<b>Net Increase/(decrease) in Cash and Cash equivalents</b>	<b>(A+B+C)</b>	<u><b>(1,069)</b></u>	<u><b>2,797</b></u>
Cash and Cash Equivalents as at 01.04.2017		5,852	3,055
Cash and Cash Equivalents as at 31.03.2018		4,783	5,852

For **JLN US & Co.**

Chartered Accountants  
Firm Regn. No. 101543W  
S/d  
**(Neeraj Kumar Jain)**  
Partner  
M.No. : F-0408211  
Place - New Delhi  
Dated : 29.05.2018

**Registered Office:-**  
Village- Pallawala, Tehsil-Dhampur  
Distt-Bijnor, U.P. - 246761

For and on behalf of the Board of Directors of  
**Dhampure Speciality Sugars Ltd**

S/d <b>Murli Manohar</b> Director DIN - 01173857	S/d <b>Sorabh Gupta</b> Managing Director DIN- 00227776
---	--

S/d <b>Ghanshyam Tiwari</b> CFO	S/d <b>Harish Goswami</b> Company Secretary
---------------------------------------	---

---

**DHAMPURE SPECIALITY SUGARS LIMITED**  
**Notes to the Consolidated Financial Statements**

**1. Company Overview and Significant Accounting Policies**

**Company overview**

Dhampure Speciality Sugars Limited ('the Company') is a leading manufacturer, processor, dealers, sellers, importers and exporters of sugar product of every kind and description including inverted sugar, raw sugar, gur, khandsari, processed or manufactured by use of any of the products, bye products wastes or scraps of sugar mills either with or without conjunction or mixture of any other material, article or thing.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Village Pallawala, Uttar Pradesh, India. The company has its primary listings on the BSE Limited.

The financial statements are approved for issue by the Company's Board of Directors on May, 29, 2018.

**1.1 Basis of preparation of financial statements**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Financial statements for the year ended march 31, 2018 are the companies first Ind AS Financial Statements. The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 *First time adoption of Indian Accounting Standards*. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 2.1. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**Functional and Presentation Currency**

Financial Statements are presented in Indian Rupees, which is functional currency of the company and the currency of the primary economic environment in which the company operates.

**Basis of Measurement**

These financial statements are prepared under the historical cost convention unless otherwise indicated.

**Operating Cycle**

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

**1.2 Use of estimates**

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

**1.3 Property Plant and Equipment (PPE)** The company has elected to continue with the carrying value of all its properties, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected

residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

## 1.4 Intangible assets and Amortization

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

**1.5 Depreciation** Depreciation is the systemation allocation of the depreciable amount PPE over its useful life and is provided on a straight line basis over the useful lives as prescribed in schedule II of the Act or as per technical assessment. a) Depreciation on fixed assets is provided on straight line method at the rates prescribed by the schedule II of the companies act, 2013 and in the manner as prescribed by it except assets costing less than Rupees 5000 on which depreciation is charged in full during the year. b) Intangible assets are amortized over their respective individual estimated useful life on straight line basis, commencing from the date the assets is available to the company for its use. The estimated useful lives of an identifiable intangible assets is based on a number of factors including the effects of obsolescence etc. The amortization method and useful lives are reviewed periodically at end of each financial year.

**1.6 Valuation of inventories** Inventories have been valued on First In First Out (FIFO) basis, at cost or net realizable whichever is less. Goods in transit are carried at cost.

## 1.7 Foreign currency

- i. Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or at rates that closely approximate the rate at the date of the transaction.
- ii. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- iii. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- iv. Foreign exchange differences recorded as an adjustment to borrowing costs are presented in the statement of profit and loss, as a part of finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis. v. In case of long term monetary items outstanding as at the end of year. Exchange differences arising on settlement / restatement there of are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and loss.

## 1.8 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

## 1.9 Leases

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of minimum lease payments at the inception of lease, whichever is lower. Lease under which the risks and rewards incidental to ownership are not transferred to lessee, is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the statement of profit and loss over the lease term

## 2.0 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

i) **Initial Recognition and measurement**

On initial recognition all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that or directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss ("FVTPL). Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

**Subsequent measurement**

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

b) **Financial assets at fair value through other comprehensive income**

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

c) **Financial assets at fair value through profit or loss (FVTPL)**

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

d) **Investments in subsidiaries, joint ventures and associates**

The Company has adopted to measure investments in subsidiaries. Joint ventures and associates at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with 1st AS 101.

e) **Financial liabilities** Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities,

**Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held/or trading are recognised in the Statement of Profit and Loss.

**Other Financial liabilities**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date. the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) **Derecognition of financial instruments**

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

iv. **Fair value measurement of financial instruments**

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cashflow analysis and valuation certified by the external valuer. In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

2.1 **Impairment of Assets** i) **Financial Assets**

In accordance with 1st AS 109, the company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

ii) **Non-Financial Assets**

The carrying amounts of the Company's tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount., in which case any impairment loss of the

# 26th ANNUAL REPORT

---

Statement of Profit and Loss, unless the asset is carried at revalued amount., in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cashflows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

## 2.2 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured. (a) Revenue is recognised at the fair value of the consideration received or receivable. The amount disclosed as revenue is net of returns, trade discounts, value added tax, Goods and Services Tax (GST). Provisions/ or rebates discount and return are estimated and provided for in the year of sales and recorded as reduction of revenue. (b) Dividend income is accounted for when the right to receive the income establish.

## 2.3 Interest

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Income from interest is recognized using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

## 2.4 Income Taxes

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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

## 2.5 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.6 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement

of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be continued only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

## **2.7 Earning per share**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating the 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. The dilutive potential equity shares are deemed converted as at beginning of the period, unless they have been issued at a later date.

## **2.8 Employee Retirement benefits**

### **i) Short term employee benefits**

All employee benefits payable/available within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period employee renders the related service.

### **ii) Post employment benefits**

#### **Defined contribution plans**

Retirement benefits in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### **Defined benefit plans**

##### **Gratuity**

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity payment plan provides for a lump sum payment to the vested employees at retirement, death, incapacitation while in employment or on termination of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs upon completion of five years of service.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. Re-measurements comprising of actuarial gains and losses, are recognised in other comprehensive income which are not reclassified to profit or loss in the subsequent periods.

### **iii) Long Term Employee Benefits**

#### **Leave Encashment**

The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

## **2.9 Segment Reporting**

The company operates in one reportable business segment i.e. " Manufacturing and trading of sugars and allied activities

## **3.0 Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.



# 26th ANNUAL REPORT

## 4.0 Provisions

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**Company faced theft of Fund by unknown person (Mr. Abdual Latif - as mention in bank statement) during the financial year amounting of Rs 2,47,230/ from the account of PNB branch Muradabad Account No. 3942008700000797. The Comapny pursued the matter from bank and bank already lodged FIR u/s 154 of CRPC Act on 09th of March 2018.**

### a. Post sales client support

The Company provides its clients with a fixed-period post sales support for corrections of errors and support on all its fixed-price, fixed-timeframe contracts. Costs associated with such support services are accrued at the time related revenues are recorded in the Statement of Profit and Loss. The company estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

### b. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the company recognizes any impairment loss on the assets associated with that contract.

## 2 Notes to the Consolidated financial statements for the year ended March 31, 2018

### 2.a. First-time adoption of Ind-AS

These Consolidated interim financial statements of Dhampure Speciality Limited Limited for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

### b. Exemptions availed on first time adoption of Ind-AS 101

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

#### (i) Share-based payment

The Company is allowed to apply Ind AS 102 Share-based payment to equity instruments that remain unvested as of transition date. The Company has elected to avail this exemption and apply the requirements of Ind AS 102 to all such grants under the 2015 plan (formerly 2011 plan). Accordingly, these options have been measured at fair value as against intrinsic value previously under IGAAP.

The excess of stock compensation expense measured using fair value over the cost recognized under IGAAP using intrinsic value has been adjusted in 'Share Option Outstanding Account', with the corresponding impact taken to the retained earnings as on the transition date.

#### (ii) Designation of previously recognized financial instruments

### c. Payment To Auditors

Particulars	31.03.2018	31.03.2017
Audit Fees	44000	64322
GST/SERVICETAX	7920	11578
<b>Total</b>	<b>51920</b>	<b>25300</b>

### d. Calculation of Earnings per Share (EPS)

	31.03.2018	31.03.2017
Net Profit/(Loss) for the period (Rs.)	3728528	7119338
Weighted average number of equity shares (Nominal Value of Rs. 10/- per share)	7576200	7201200
<b>Basic &amp; Diluted earnings per Share (Rs.)</b>	<b>0.49</b>	<b>0.99</b>

**e. Related party disclosure as required under Indian Accounting Standard**

<b>a. Related Parties</b>	<b>Name</b>
i. Subsidiaries Company	1. Dhampur Green Private Limited 2. Sun Burst Services Private Limited
ii. Associate Company	Nil
i. Key Management Personnel	Mr. Sorabh Gupta, Managing Director Mr. Ghanshyam Tiwari, Chief Financial Officer Mr. Haish Goshwami, Company Secretary
ii. Relatives of key Management personnel with whom the company has transactions during the year.	Nil
iii. Entities over which management personnel/relatives of key management personnel are able to exercise significant influence in which the company has transactions.	Nil
<b>b. Transaction with Related Parties</b>	<b>1. DHAMPUR ALCO CHEM LTD</b> Opening balance Rs. 1,27,17,594 and amount paid during the year Rs. 6,89,43,402 and received Rs. 21851125/- Closing balance 5,98,09,871 Dr. <b>2. SUN BURST SERVICES PRIVATE LIMIED</b> Opening balance Rs. 1,99,50,000/-(DR) and amount paid during the year Rs. 2,22,72,820 closing balance Rs. 4,22,22,820/-(DR) <b>3. DHAMPUR GREEN PRIVATE LIMITED</b> Opening balance Rs. 8,85,168 and amount paid during the year Rs. 21,66,947, goods purchased for Rs. 13,98,900/- and received Rs. 2,57,978/- Closing balance 1,17,121 Dr.
<b>f. IMPAIRMENT</b>	
It is the view of management that there are impairment conditions that exists as on 31st, March 2018. Hence, no provision is required in the accounts for the year under review.	
<b>g. TAXES</b>	
As required by Accounting Standard " Income Taxes" i.e. (Ind-As-12) issued by the Institute of Chartered Accountant of India deferred Tax assets on accumulated losses is recognized as a matter of prudence.	
<b>h. OTHER SIGNIFICANT DISCLOSURES</b>	
a)	In the opinion of the board, the assets, except stated otherwise, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and the provision for depreciation and for all known liabilities is adequate and consolidated reasonable.
b)	Balance with the parties under the head current liabilities, long term loans and advances, trade receivables, bank balances, short term loans and advances are subject to confirmation.
c)	Sales tax assessment to earlier years are in progress, Demand, if any, shall be accounted for, on the completion of assessments.
d)	Previous years figures have been recognized and rearranged whenever necessary to suit the present year layout..

**CONSOLIDATED FIXED ASSETS SCHEDULE AS ON 31.03.2018 as per Schedule-2 of The Companies Act, 2013**  
**TANGIBLE ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION						Carrying Value	
	As on 01/04/17	Addition during the year	Sales/Adj during the year	Total As on 31.3.18	Opening Dep. as on 01.04.2017	Dep. on Opening Block	Dep. on Addition as on 31.03.18	Total Depreciation for year	Sales/Adj during the year	Total Depreciation as on 31.03.18	As on 31.03.18	As on 31.03.17
LAND	42,649,765	-	-	42,649,765	-	-	-	-	-	-	42,649,765	42,649,765
BUILDING	34,888,210	-	-	34,888,210	12,038,721	1,363,052	-	1,363,052	-	13,401,773	33,525,158	34,888,210
<b>PLANT &amp; MACHINERY</b>												
PLANT & MACHINERY	3,136,264	150,388	-	3,286,651	61,294,356	322,864	4,590	327,454	-	61,621,810	2,959,198	3,136,264
ELECTRICAL INSTALLATION	141,640	-	-	141,640	1,242,281	10,014	-	10,014	-	1,252,295	131,626	141,640
GENERATOR SETS	21,333	-	-	21,333	1,859,022	1,013	-	1,013	-	1,860,035	20,320	21,333
LABORATORY EQUIPMENTS	35,652	-	-	35,652	321,795	1,693	-	1,693	-	323,488	33,959	35,652
<b>Sub-Total</b>	<b>3,334,889</b>	<b>150,388</b>	<b>-</b>	<b>3,485,276</b>	<b>64,717,454</b>	<b>335,584</b>	<b>4,590</b>	<b>340,174</b>	<b>-</b>	<b>65,057,628</b>	<b>3,145,103</b>	<b>3,334,889</b>
COMPUTERS	9,866	-	-	9,866	4,377,010	1,599	-	1,599	-	4,378,609	8,267	9,866
OFFICE EQUIPMENT	818,159	19,661	-	837,820	2,479,763	50,582	525	51,107	-	2,530,870	786,713	818,159
FURNITURE & FIXTURE	395,966	553,379	-	949,345	797,653	25,065	6,961	32,026	-	829,679	917,319	395,966
VEHICLES	85,975	-	-	85,975	6,160,882	17,654	-	17,654	-	6,178,536	68,321	85,975
Capital in Progress	-	9,507,100	-	9,507,100	-	-	-	-	-	-	9,507,100	-
<b>TOTAL</b>	<b>82,182,830</b>	<b>10,230,527</b>	<b>-</b>	<b>92,413,357</b>	<b>90,571,483</b>	<b>1,793,537</b>	<b>12,076</b>	<b>1,805,613</b>	<b>-</b>	<b>92,377,096</b>	<b>90,607,744</b>	<b>82,182,830</b>
<b>PREVIOUS YEAR</b>	<b>30,043,823</b>	<b>10,462,256</b>	<b>6,725,540</b>	<b>33,780,539</b>	<b>88,817,209</b>	<b>637,523</b>	<b>355,420</b>	<b>992,943</b>	<b>-</b>	<b>89,810,152</b>	<b>32,787,596</b>	<b>30,043,823</b>

**4 NON CURRENT INVESTMENTS**

Name of Script	Opening Balance As at 1.04.2016		Purchase During the year		Sold During the year		Closing Balance As at 31.03.2017		Closing Balance As at 31.03.2016	
	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)	Quantity (Nos.)	Value (Rs.)
<b>"A" QUOTED SHARES</b>										
East India Hotel Ltd.	200	13543	-	-	100	6771	100	6772	200	13543
Eiha Hotels	100	11281	-	-	-	-	100	11281	100	11281
Gee Kay Exim	56000	249200	-	-	56000	249200	-	-	56000	249200
InformationTech	5000	84017	-	-	5000	84017	-	-	5000	84017
Maharashtra Krishna Valley Bond	1	23750	-	-	1	23750	-	-	1	23750
K S Oils Limited	-	-	200	86	200	86	-	-	-	-
<b>Sub_total "A"</b>	<b>61301</b>	<b>381791</b>	<b>200</b>	<b>86</b>	<b>61301</b>	<b>363824</b>	<b>200</b>	<b>18053</b>	<b>61301</b>	<b>381791</b>
<b>"B" UNQUOTED SHARES</b>										
Magic Software Pvt. Ltd.	10000	1000000	-	-	-	-	10000	1000000	10000	1000000
United Service Pvt. Ltd.	500	5000	-	-	-	-	500	5000	500	5000
Dhampur Health Care Pvt Ltd (Leisure Furnishing Pvt Ltd)	10000	10000	-	-	-	-	10000	10000	10000	10000
Dhampur Rise Pvt Ltd (Mumbai Airport Hospitality Pvt Ltd)	10000	10000	-	-	-	-	10000	10000	10000	10000
Dhampur Green Pvt Ltd (S.T.Food Pvt Ltd)	10000	10000	-	-	-	-	10000	10000	10000	10000
Ujjwal Microfinance Pvt Ltd	10000	30000	-	-	-	-	10000	30000	10000	30000
Amit Marketing	272550	2725500	-	-	-	-	272550	2725500	272550	2725500
Radish I. T. Solutions Pvt Ltd	600000	60000000	-	-	400,000	40,000,000	200000	20000000	600000	60000000
Trustone Wegmans Developers Pvt Ltd	10000	100000	-	-	-	-	10000	100000	10000	100000
Vedic Organic Products Pvt Ltd	200000	2000000	-	-	-	-	200000	2000000	200000	2000000
<b>Sub_total "B"</b>	<b>1133050</b>	<b>65890500</b>	<b>-</b>	<b>-</b>	<b>400,000</b>	<b>40,000,000</b>	<b>733050</b>	<b>25690500</b>	<b>1133050</b>	<b>65890500</b>
<b>GRAND TOTAL (A+B)</b>	<b>1194351</b>	<b>66272291</b>	<b>200</b>	<b>86</b>	<b>461301</b>	<b>40363824</b>	<b>733250</b>	<b>25908553</b>	<b>1194351</b>	<b>66272291</b>
<b>Previous year</b>	<b>71801</b>	<b>1386791</b>					<b>984351</b>	<b>64172291</b>		
Market Value of quoted Shares		380257						79990		

# 26th ANNUAL REPORT

## Notes to financial statements for the year ended 31st March, 2018

	As at 31.03.2018	As at 31.03.2017		
<b>5 Other Non-Current Assets, Loans and Advances</b> (Unsecured, considered good unless stated otherwise)				
(i) Security Deposits	224,800	224,800		
(ii) Loan & advances to related parties (note 26)	61,289,871	20,207,407		
(iii) Loan & advances to others	10,952,906	16,323,728		
(iv) Branch Division	<u>72,467,577</u>	<u>36,755,935</u>		
<b>6 Inventories (valued at lower of cost and net realizable value)</b> (As certified by the Management)				
(i) Raw Material	7,460,423	9,814,888		
(ii) Finished Goods	3,266,064	5,767,087		
(iii) Stock -in- Trade	3,840,577	250,035		
(iv) Stores & Spares	1,575,645	5,515,966		
	<u>16,142,710</u>	<u>21,347,976</u>		
<b>7 Trade receivables</b> (Unsecured, considered good unless stated otherwise)				
(i) Outstanding for more than six months	2,728,090	27,551,928		
(ii) Outstanding for less than six months	16,750,948	6,087,233		
	<u>19,479,037</u>	<u>33,639,161</u>		
<b>8 Cash and Cash Equivalents</b>				
(i) Balance with Banks on Current Accounts	1,413,794	3,223,223		
(ii) Cash in hand	1,917,696	1,258,259		
(iii) Fixed Deposits	1,452,242	1,370,023		
	<u>4,783,732</u>	<u>5,851,505</u>		
<b>9 Other Current Assets</b>				
(i) Advanced recoverable in cash or in kind	680,008	125,183		
(ii) Prepaid Expenses	93,337	-		
<b>Balance with Government Authorities</b>	-	-		
(iii) Advance Income tax	900,000	1,700,000		
(iv) VAT Receivable	1,999,404	935,858		
(v) Balance with Excise Deptt.	1,271,310	1,195,580		
(vi) Service Tax Recoverable	74,350	237,023		
(vii) TDS	686,502	923,364		
(viii) Income Tax Refundable	166,490	130,257		
	<u>5,871,401</u>	<u>5,247,265</u>		
<b>10 Share Capital</b>				
<b>Authorised</b>				
2,50,00,000 Equity Shares of Rs. 10/- each	250000000	250000000		
Issued, Subscribed and paid up Shares				
7556200 Equity Shares of Rs. 10/- each fully paid up in cash	75562000	72012000		
(P.Y. 7181200 Equity Shares of Rs. 10/- each fully paid up in cash)				
<b>The Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :</b>				
<b>Equity Shares</b>				
	<b>No.</b>	<b>Rupees</b>	<b>No.</b>	<b>Rupees</b>
At the beginning of the period	7,181,200	71,812,000	7,201,200	72,012,000
Add : Issued during the period	375,000	3,750,000	-	-
Outstanding at the end of the period	<u>7,556,200</u>	<u>75,562,000</u>	<u>7,201,200</u>	<u>72,012,000</u>

**As at 31.03.2018**      **As at 31.03.2017**

- (a) Terms/rights attached to equity shares. The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per shares.
- (b) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : N.A.
- (c) Details of shareholders holding more than 5% shares in the company

**Name of the shareholder**

Equity shares of Rs. 10 each fully paid  
Promoters  
Mr. Sorabh Gupta  
Mrs. Reena Gupta  
Body Corporate  
Dhampure Speciality Sugars Ltd.

		<b>As at 31.03.2018</b>		<b>As at 31.03.2017</b>	
	<b>No.</b>	<b>% holding in the class</b>	<b>No.</b>	<b>% holding in the class</b>	
	3116813	41	2733213	38	
	692250	9	687250	10	
	20000	100	20000	100	
	<b>3809063</b>		<b>3420463</b>		

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

- (d) During last 5 years immediately preceding the balance sheet date, no Equity Shares or Preference Shares has been issued pursuant to any contract without payment being received in cash. Further the company has neither allotted any share by way of bonus shares, nor it had bought back any Equity or Preference Share during aforesaid period of 5years.
- (e) No Shares have been Forfeited by the company during the year.

**11 Others Long-Term Liabilities**

Advance from Customers (Others)	2,060,000	1,272,000
	<u>2,060,000</u>	<u>1,272,000</u>

**12 Long-Term Provision**

Provision for Gratuity	1,545,011	1,352,440
	1,545,011	1,352,440

**13 Trade Payables**

Sundry Creditors	16,756,321	24,297,347
	<u>16,756,321</u>	<u>24,297,347</u>

**14 Short -Term Provision**

Provision for Income Tax	343,692	1,894,640
	<u>343,692</u>	<u>1,894,640</u>

**15 Other Current Liabilities**

(i) Advance from customers	5,637,105	783,632
(ii) Expenses Payable	1,361,669	1,465,345
(iii) Duties & taxes Payable	69,417	-
(iv) Advance from Director	3,283,709	287,367
(v) Security Deposit	-	<u>1,698,000</u>
(vi) Short Term Borrowing (Secured Loan From Bank)	-	<u>24,091,321</u>
	<b>10,351,900</b>	<b>28,325,665</b>

**16 Revenue from Operations**

Sales of Products		
(i) Domestic Sales	82,898,259	230,214,183
(ii) Export Sales	3,199,840	4,222,660
(iii) Less : Sales Return	162,963	3,318,456
	<u>85,935,136</u>	<u>231,118,386</u>

## 26th ANNUAL REPORT

<b>17</b>	<b>Other Income</b>		
(i)	Interest Income	524,688	709,503
(ii)	Commission Income	2,781	1,180,401
(iii)	Agricultural Income	400,003	354,403
(iv)	Miscellaneous Income	125,668	56,644
(v)	Sundry Balance Written off	7,437,931	6,079,375
	<b>Total</b>	<b><u>8,491,071</u></b>	<b><u>8,380,326</u></b>
<b>18</b>	<b>Cost of Material Consumed</b>		
	Opening Stock	17,053,499	2,496,257
	Purchase	55,083,213	217,408,639
	Consumption of stores and spares	108,200	285,520
		72,244,912	220,190,416
	Less : Closing Stock	9,597,401	15,580,888
	Net consumption	<b><u>62,647,510</u></b>	<b><u>204,609,528</u></b>
<b>19</b>	<b>Increase/decrease in Inventories</b>		
	Inventories at the end of the year Finished Goods	6,545,308	5,767,087
	Inventories at the beginning of the year Finished Goods	4,294,477	2,907,807
	Net (increase)/decrease in Inventories	<b><u>-2,250,832</u></b>	<b><u>-2,859,279</u></b>
<b>20</b>	<b>Employee Benefits Expenses</b>		
(a)	Salaries & Wages	7,822,581	6,728,389
(b)	Bonus	687,402	353,704
(c)	Directors Remuneration	2,426,334	2,400,000
(d)	Contribution to Provident Fund & ESIC	650,830	312,227
(e)	Gratuity	192,571	120,744
(f)	Staff Welfare Expenses	171,060	982,198
(g)	Leave Encashment	392,033	-
		<b><u>12,342,811</u></b>	<b><u>10,897,262</u></b>
<b>21</b>	<b>Finance Costs</b>		
(a)	Interest paid	2,175,105	2,652,209
(b)	Bank Charges	60,996	65,417
(c)	Processing Fee	138,000	137,400
(d)	Interest on Govt. Duties	3,774	25,818
		<b><u>2,377,875</u></b>	<b><u>2,880,844</u></b>
<b>22</b>	<b>Depreciation and amortization expenses</b>		
	Depreciation	1,805,613	1,646,262
		<b><u>1,805,613</u></b>	<b><u>1,646,262</u></b>
<b>23</b>	<b>Other Expenses</b>		
(a)	Auditors Remuneration ( as Audit Fee)	51,920	75,900
(b)	Business Promotion	2,359,273	774,642
(c)	Communication Expenses	497,507	601,770
(d)	Exports Expenses	282,950	430,218
(e)	ROC Filling Fee	42,500	39,700
(f)	Freight Expenses	848,707	1,835,765
(g)	Insurance Charges	19,260	27,564
(h)	Legal & Professional Charges	1,547,734	1,730,279
(i)	Misc. Expenses	2,748,847	710,436
(j)	Power & fuel	1,046,020	895,864
(k)	Printing & Stationery	225,645	470,979
(l)	Rent, Rates & Taxes	969,269	709,604
(m)	Rebates & Discount	107,217	69,897
(n)	Repair & Maintenance	861,729	1,107,409
(o)	Security Expenses	367,052	223,332
(p)	Share Listing Expenses	130,162	324,076
(q)	Tour, Travelling & Conveyance	928,047	1,202,472
(r)	Vehicle Repair & Maintenance	84,018	36,776
		<b><u>13,117,856</u></b>	<b><u>11,266,682</u></b>

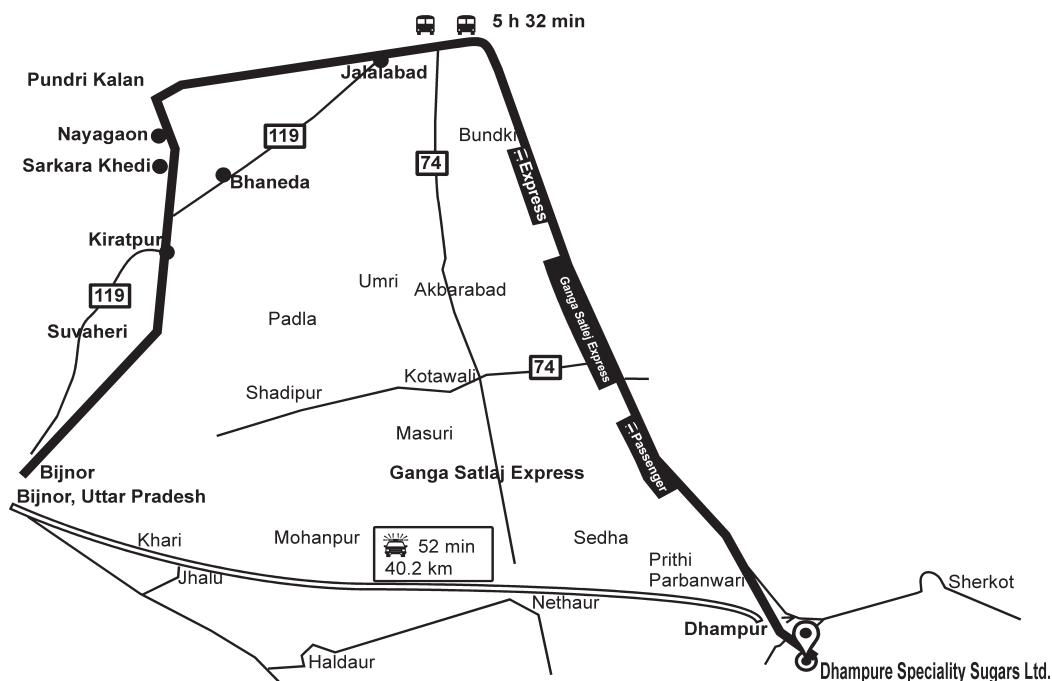
Salient features of financial statements of subsidiary companies, joint venture and associate as per Companies Act, 2013 are as per Annexure 'A' [Pursuant to the first proviso to sub-section(3) of section 129 of the Companies Act, 2013, read with rule 5 of the Companies (Accounts) Rules, 2014 - AOC 1]

### Annexure-A

#### Part "A": Subsidiaries

(Rs. In lakh)

S. No.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Note No.	Share Capital	Reserves & surplus	Total Assets	Total Liabilities (Non Current and Current Liability)	Investments	Turn-over (including other income)	Profit/(loss) before taxation	Provision for taxation	Profit/(loss) after taxation	Proposed Dividend	% of share-holding
1	Dhampur Green Pvt. Ltd.	INR	1	.1	(1.87)	5.58	7.46	-	15.36	0.19	-	0.44	-	100.00
1	Sun Burst Services Pvt. Ltd.	INR	1	.1	88.73	584.98	496.25	-	53.29	26.07	-	29.19	-	100.00





# BOOK - POST

*If undelivered, please return to :*

**Dham *W*re Speciality Sugars Ltd.**

Village Pallawala Tehsil Dhampur,

Bijnore, Uttar Pradesh-246761