



VISHWARAJ SUGAR INDUSTRIES LIMITED

CIN: L85110KA1995PLC017730

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 in the name of Vishwanath Sugars Limited vide Certificate of Incorporation dated May 02, 1995 with the Registrar of Companies ("RoC"), Bangalore bearing Registration Number – 08/17730. Our Company was granted the Certificate of Commencement of Business by the RoC, Bangalore on December 21, 1999. The name of our Company was subsequently changed to Vishwanath Sugar and Steel Industries Limited and a Fresh Certificate of Incorporation dated December 28, 2010 was issued by the Registrar of Companies, Bangalore. The name of our Company was further changed to Vishwaraj Sugar Industries Limited vide Certificate of Incorporation dated November 29, 2012 granted by the Registrar of Companies, Bangalore. The corporate identification number of our Company is L85110KA1995PLC017730. For further details regarding changes in the name and Registered and Corporate Office of our Company, please refer to the section titled "General Information" on page 156.

Registered Office: Bellad-Bagewadi, Taluka-Hukkeri, District-Belagavi - 591305, Karnataka, India.
Telephone No.: 08333-251251; **Contact Person:** Ms. Priya Manoj Dedhia, Company Secretary and Compliance Officer
Email id: info@vsil.co.in; **Website:** www.vsil.co.in

Our Company is issuing upto 3,00,47,700 equity shares of face value ₹ 2 each ("Equity Shares") at a price of ₹ 16.64 per Equity Share (the "Issue Price"), including a premium of ₹ 14.64 per Equity Share, aggregating to ₹ 499.99 million (the "Issue"). For further details, see "Summary of the Issue" on page 26 of this Placement Document.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 AND SECTION 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED ("THE COMPANIES ACT").

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PLACEMENT DOCUMENTS SHALL BE CIRCULATED ONLY TO SUCH QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "RISK FACTORS" BEGINNING ON PAGE 32 OF THIS PRELIMINARY PLACEMENT DOCUMENT BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT (AS DEFINED HEREINAFTER). PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND/OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

The Equity Shares are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE", together with BSE, the "Stock Exchanges"). The closing prices of the outstanding Equity Shares on BSE and NSE as on September 20, 2024 was ₹ 18.80 and ₹ 18.78 per Equity Share, respectively. In-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for listing of the Equity Shares to be issued pursuant to the Issue have been received from BSE and NSE on August 26, 2024. Our Company shall make applications to the Stock Exchanges for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or of the Equity Shares.


A copy of this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereafter) has been delivered to the Stock Exchanges and a copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Bangalore (the "RoC"), within the stipulated period as prescribed under the Companies Act and the PAS Rules. This Placement Document has not been reviewed by the Securities and Exchange Board of India ("SEBI"), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). This Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Invitations for subscription, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to the Preliminary Placement Document and the Placement Document together with the Application Form, this Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "Issue Procedure" beginning on page 113. The distribution of this Placement Document or the disclosure of its contents without our Company's prior consent to any person, other than Eligible QIBs to whom this Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulations S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "Selling Restrictions" on page 129. Also see, "Transfer Restrictions and Purchaser Representation" on page 138 of this Placement Document for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

The information on our Company's website or any website directly or indirectly linked to our Company's website or the websites of the BRLM (as defined thereunder) or any of their respective affiliates does not constitute nor form part of this Placement Document and prospective investors should not rely on such information contained in, or available through any such websites for their investment in this Issue.

LEAD MANAGER TO THE ISSUE

	NAVIGANT CORPORATE ADVISORS LIMITED 804, Meadows, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri (East), Mumbai - 400059. Tel No. +91 22 4120 4837 Email id: navigant@navigantcorp.com Website: www.navigantcorp.com SEBI Registration No: INM000012243 Contact person: Mr. Sarthak Vijlani
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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company and the Equity Shares, which is material in the context of the Issue. The statements contained in this Placement Document relating to our Company and the Equity Shares are, in all material respects, true and accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Company and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Company and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Company nor the BRLM has any obligation to update such information to a later date.

The information contained in this Placement Document has been provided by our Company and other sources identified herein. Navigant Corporate Advisors Limited (the "**BRLM**") has not separately verified all of the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the BRLM nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLM and/or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates as to the accuracy or completeness of the information contained in this Placement Document or any other information (financial, legal or otherwise) supplied in connection with our Company and the Equity Shares or distribution of this Placement Document. Each person receiving this Placement Document acknowledges that such person has not relied either on the BRLM or on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or on behalf of the BRLM. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs specified by the BRLM or their representatives, and those retained by Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and not further distribute or make any copies of this Placement Document or any documents referred to in this Placement Document. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Placement Document and the issue of Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

In particular, except for India, no action has been taken by our Company and the BRLM that would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction, where action for that purpose is required.

Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For a description of the restrictions applicable to the offer of the Equity Shares in the Issue in certain jurisdictions, see "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representation*" on page 129 and 138 respectively.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "*Selling Restrictions*" on page no. 129 Also see, "*Transfer Restrictions and Purchaser Representation*" on page no. 138 of this Placement Document for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

In making an investment decision, the prospective investors must rely on their own examination and due diligence of our Company and the Equity Shares and the terms of the Issue, including merits and risks involved. Prospective investors should not construe the contents of this Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning this Issue. In addition, our Company and the BRLM are not making any representation to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Placement Document, you should consult an authorized financial advisor and/or legal advisor.

Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other regulatory, statutory or judicial authority, in India or any other jurisdiction, from buying, selling or dealing in securities including the Equity Shares. Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such document. The information on our Company's website, viz, www.vsil.co.in, or any website directly or indirectly linked to our Company or on the website of the BRLM or any of their respective affiliates, does not constitute nor form part of this Placement Document. Prospective investors should not rely on such information contained in, or available through, any such websites. Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

The information on our Company's website at www.vsil.co.in or any website directly or indirectly linked to our Company's website or the website of the BRLM, their associates or their affiliates, does not constitute or form part of this Placement Document. The prospective investors should not rely on any such information contained in, or available through, any such websites.

NOTICE TO INVESTORS IN CERTAIN JURISDICTIONS

This Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representation***" on page no. 129 and 138. of this Placement Document, respectively for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

REPRESENTATIONS BY INVESTORS

All references herein to "you" or "your" in this section are to the prospective investors in the Issue. By bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreements set forth in the sections "*Notice to Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representation*" on pages 1, 129 and 138 have represented, warranted, acknowledged to and agreed with our Company and the BRLM, as follows:

- You are a "Qualified Institutional Buyer" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013, and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;
- You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;
- If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office), having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the SEBI FPI Regulations, FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;
- You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Further, the aggregate limit of all FPIs investments, is up to 100%, being the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;
- You will provide the information as required under the provisions of the Companies Act, the PAS Rules and applicable SEBI ICDR Regulations and rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;
- If you are Allotted Equity Shares, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges;
- You are aware that this Preliminary Placement Document and the Placement Document has not been and will not be filed as a prospectus with the RoC under the Companies Act, 2013 the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;

•You are aware that this Placement Document and this have been filed, with the Stock Exchanges for record purposes only and this Preliminary Placement Document and the Placement Document will be displayed on the websites of our Company and the Stock Exchanges;

•You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Placement Document), and will honour such obligations;

•You are aware that, our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions that you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLM. The BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in a fiduciary capacity;

•You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLM may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLM have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;

•Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information, which is not set forth in this Placement Document;

•You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

•You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;

• All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company, or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Neither our Company nor the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Placement Document;

•You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public and the allotment of the same shall be at the discretion of our Company, in consultation with the BRLM;

•You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category other than Eligible QIBs and the Allotment of

the same shall be at the sole discretion of our Company, in consultation with the BRLM;

- You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document, as applicable. However, disclosure of such details in relation to the proposed Allottees in this Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;

- You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

- You have been provided a serially numbered copy of this Placement Document and have read it in its entirety; including, in particular, "**Risk Factors**" on page no 32 of this Placement Document;

- In making your investment decision, you have (i) relied on your own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based solely on and in reliance of the information contained in this Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the BRLM or any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the BRLM or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;

- If you are acquiring the Equity Shares to be issued pursuant to the Issue for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts.

- You are not a "promoter" (as defined under the Companies Act and the SEBI ICDR Regulations) of our Company and are not a person related to any of our Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any of our 'Promoters', or members of our 'Promoter Group' (as defined under the SEBI ICDR Regulations) or persons or entities related thereto;

- You have no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on our Board, other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares;
- You agree in terms of Section 42 of the Companies Act and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act;
- You will have no right to withdraw your Bid or revise your Bid downwards after the Bid/Issue Closing Date (as defined hereinafter);
- You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible, as per any applicable regulation;
- The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations (as defined hereinafter) and you shall be solely responsible for compliance, if any with all other applicable provisions of the SEBI Takeover Regulations;
- The aggregate number of Equity Shares Allotted to you under the Issue, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:
 - (a) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and
 - (b) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
- You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue, are issued by the Stock Exchanges;
- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, will be made and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares will be obtained in time or at all. Neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;
- You are aware and understand that the BRLM have entered into a Placement Agreement with our Company whereby the BRLM have, subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;
- You understand the contents of this Placement Document are exclusively the responsibility of our Company and that neither the BRLM nor any person acting on its behalf or any of the counsel or advisors to the Issue has, or shall have, any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Placement Document or otherwise.
- By accepting a participation in this Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the BRLM or our Company or any other person, and the BRLM or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLM and their affiliates will not be liable for your decision to accept an invitation to

participate in the Issue based on any other information, representation, warranty, statement or opinion;

- You understand that the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;
- You are able to purchase the Equity Shares in accordance with the restrictions described in "**Selling Restrictions**" on page 129 of this Placement Document and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "**Selling Restrictions**" on page 129 of this Placement Document;
- You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "**Transfer Restrictions and Purchaser Representation**" on page 138 of this Placement Document and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "**Transfer Restrictions and Purchaser Representation**" on page 138 of this Placement Document; You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and may not be offered, sold or delivered within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. You are outside the United States and are subscribing to the Equity Shares in an "offshore transaction" as defined in and in reliance on, Regulation S and the applicable laws of the jurisdictions where those offers and sales are made;
- You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act;
- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Placement Document and the Placement Document;
- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;
- You agree to indemnify and hold our Company, the BRLM and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
- You acknowledge that the Preliminary Placement Document does not, and this Preliminary Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;
- You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;
- You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and Rule 6 of the FEMA Rules;
- You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLM;

- You represent that you are not an affiliate of our Company or the BRLM or a person acting on behalf of such affiliate;
- Our Company, the BRLM, their respective affiliates, directors, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLM; and
- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an Eligible FPI including the affiliates of the BRLM, who are registered as category I FPIs may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as “Offshore Derivative Instruments”), and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such Offshore Derivative Instruments provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, Offshore Derivative Instruments may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with ‘know your client’ requirements, as specified by the Board and subject to payment of applicable regulatory fee and in compliance with such other conditions as may be specified from the SEBI. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Offshore Derivative Instruments have not been and are not being offered or sold pursuant to the Preliminary Placement Document and this Placement Document. This Placement Document does not contain any information concerning Offshore Derivative Instruments or the issuer(s) of any Offshore Derivative Instruments, including any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control,) is not permitted to be 10% or above of our post- Issue Equity Share capital on a fully diluted basis. The SEBI has, vide a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the “FPI Operational Guidelines”), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of Offshore Derivative Instruments and two or more subscribers of Offshore Derivative Instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the Offshore Derivative Instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of Offshore Derivative Instruments, these investment restrictions shall apply on the aggregate of the FPI investments and Offshore Derivative Instruments position held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of Offshore Derivative Instruments.

Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. Any Offshore Derivative Instruments that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any Offshore Derivative Instruments, or in the establishment of the terms of any Offshore Derivative Instruments, or in the preparation of any disclosure related to any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the BRLM do not make any recommendation as to any investment in Offshore Derivative Instruments and do not accept any responsibility whatsoever in connection with any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be issued are not securities of the BRLM and do not constitute any obligations of or claims on the BRLM.

Prospective investors interested in purchasing any Offshore Derivative Instruments have the responsibility to obtain adequate disclosures as to the issuer(s) of such Offshore Derivative Instruments and the terms and conditions of any such Offshore Derivative Instruments from the issuer(s) of such Offshore Derivative Instruments. Neither SEBI nor any other regulatory authority has reviewed or approved any Offshore Derivative Instruments or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in Offshore Derivative Instruments, including whether Offshore Derivative Instruments are issued in compliance with applicable laws and regulations.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Document;
2. warrant that the Equity Shares to be issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or
3. take any responsibility for the financial or other soundness of our Company, our Promoters, our Management or any scheme or project of our Company;

and it should not for any reason be deemed or construed to mean that this Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares of our Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'bidder(s)', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investor(s)', 'prospective investor(s)' and 'potential investor(s)' are to the Eligible QIBs who are the prospective investors in the Issue, and references to 'our Company', 'Company', 'the Company' and the 'Issuer', are to Vishwaraj Sugar Industries Limited on a standalone basis, unless the context otherwise indicates or implies or unless otherwise specified.

Currency and units of presentation

In this Placement Document, references to 'US\$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America, references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of Republic of India. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

All the numbers in this Placement Document have been presented in "Lakh" or "Lac", unless stated otherwise. Our financial statements for Fiscal 2024, Fiscal 2023 and Fiscal 2022 and quarter ended June 30, 2024 included herein are presented in Lakh or Lac for presentation purposes.

In this Placement Document, references to "Lakhs" or "Lacs" represents "100,000", "million" represents "10 lakh" or "1,000,000", "Crore" represents "10,000,000" or "10 million" or "100 lakhs", and "billion" represents "1,000,000,000" or "1,000 million" or "100 Crore".

Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies between the totals and the sum of the amounts listed are due to rounding off adjustments. All figures in decimals have been rounded off to the second decimal.

Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Page numbers

Unless stated otherwise, all references to page numbers in this Placement Document are to the page numbers of this Placement Document.

Financial Data and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year', 'fiscal' or 'FY' are to the twelve-month period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that year.

As required under applicable regulations, and for the convenience of prospective investors, we have included the following financial information in this Placement Document:

- The audited standalone financial statements of our Company as at and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2021, and financial results for quarter ended June 30, 2024 prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India and other relevant provisions of the Companies Act (collectively, the "**Audited Standalone Financial Statements**");

The Audited Standalone Financial Statements should be read along with the respective audit reports and Unaudited Financial results along with Limited review report.

Our Company prepares its financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("U.S. GAAP") or International Financial Reporting Standards ("IFRS") and the reconciliation of the financial information to other accounting principles has not been provided.

No attempt has been made to explain those differences or quantify their impact on the financial data included in this Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. Accordingly, the degree to which the financial information included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Placement Document should accordingly be limited.

Unless otherwise stated or unless the context requires otherwise, the financial information contained in this Placement Document as at and for the year ended March 31, 2024, March 31, 2023, March 31, 2022 is derived from the Audited Standalone Financial Statements and Unaudited Financial results for the quarter ended June 30, 2024.

For details, please see the section entitled "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 158 and 55 of this Placement Document, respectively.

Non-GAAP financial measures

Certain non-GAAP measures and certain other statistical information such as EBITDA, EBITDA Margins, ROE, Debt/Equity, Interest Coverage Ratio, ROCE, RONW, PAT Margins, etc. (together referred as "Non-GAAP Measures") presented in this Placement Document are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance.

Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance or liquidity. Prospective investors should read this information in conjunction with the financial statements included in "*Financial Statements*" on page 158 of this Placement Document.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and analysts and on data from other external sources, and on our knowledge of markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Placement Document has been derived from publicly available sources. While our Company has taken reasonable care in the reproduction of the information from such publicly available sources, none of our Company, the BRLM, any of our Company's or their respective affiliates or advisors or any other person connected with the Issue has independently verified data and statistics obtained from such publicly available sources. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Therefore, discussions of matters relating to India, its economy and the industry in which we currently operate are subject to the caveat that data and statistics upon which such discussions are based may be inaccurate, incomplete or unreliable. Statements from third-parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Placement Document. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources, and neither we nor the BRLM can assure potential Investors as to their accuracy.

This information is subject to change and cannot be certified with complete certainty due to limits on the availability and reliability of raw data and other limitations and uncertainties inherent in any statistical survey. Neither our Company nor any of the BRLM have independently verified the industry and market data and do not make any representation regarding accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so our Company has relied on internally developed estimates. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Company nor any of the BRLM can assure Bidders as to their accuracy.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "may", "will", "plan", "objective", "potential", "project", "pursue", "seek", "shall", "should", "will", "would", "will likely result", "will continue", "will achieve", "is likely" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements and any other projections include statements as to our Company's business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document regarding matters that are not historical facts. These forward-looking statements contained in this Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- any disruption in our sources of funding or increase in costs of funding;
- engagement in a highly competitive business and a failure to effectively compete;
- we are affected by volatility in interest rates, adversely affecting our net interest income;
- an adverse determination in an ongoing litigation to which Company is a party;
- a downturn in the utility of our products to the industries we cater to;
- a reduction in the demand of our products and/or competing products gaining wider market acceptance;
- loss of one or more of our key customers and/or suppliers;
- an increase in the productivity and overall efficiency of our competitors;
- an adverse change in the regulations governing our products and the products of our customers;
- a significant fall in the global price of our products and/or a significant rise in the global price of our raw materials; and
- a decrease in the demand for the products of our customers in which our Products are used and/or a downfall in production activities.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections "**Risk Factors**", "**Management's Discussion and Analysis of Financial Condition and Results of Operations**", "**Industry Overview**" and "**Our Business**" and on pages 32, 55, 66, and 77 of this Placement Document, respectively.

By their nature, market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections. The forward-looking statements contained in this Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Placement Document or the respective dates indicated in this Placement Document, and neither our Company nor the Book Running Lead Manager undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public company with limited liability incorporated under the laws of India. All the key managerial personnel of our Company named herein are residents of India and all of the assets of our Company are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Civil Procedure Code (as defined below), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and does not include arbitration awards.

Each of the United Kingdom, United Arab Emirates, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the number of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws.

DEFINITIONS AND ABBREVEIATIONS

This Placement Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments thereto, from time to time.

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the *section "Statement of Possible Special Tax Benefits", "Industry Overview", "Financial Statements" and "Legal Proceedings"* beginning on Page 146, 66, 158, and 151 of this Placement Document, respectively, shall have the meaning given to such terms in such sections.

General and Company Related Terms:

Terms	Description
"Company", "our Company", "the Company", "the Issuer"	Vishwaraj Sugar Industries Limited is a public limited Company incorporated under the Companies Act, 1956 having its registered office at Bellad-Bagewadi, Taluk-Hukkeri, District-Belgaum - 591305, Karnataka, India.
"we", "us", or "our"	Unless the context otherwise indicates or implies, refers to our Company
"Articles" / "Articles of Association" / "AoA"	Articles / Articles of Association of our Company, as amended from time to time.
"Audit Committee"	The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") and Section 177 of the Companies Act, 2013]
"Auditor"" / "Statutory Auditor"/ "Peer Review Auditor"	Statutory and peer review auditor of our Company, namely, M/s. P G Ghali & Co., Chartered Accountants
"Board" / "Board of Directors"	Board of directors of our Company or a duly constituted committee thereof
"Chief Financial Officer / CFO"	Sheshagiri Hanumantarao Kulkarni, the Chief Financial Officer of Our Company.
"Company Secretary and Compliance Officer"	Priya Manoj Dedhia, the Company Secretary and Compliance Officer of Our Company.
"Director(s) "	The director(s) on the Board of our Company, unless otherwise specified
"Equity Shareholder"	A holder of Equity Shares
"Equity Shares"	Equity shares of our Company of face value of ₹ 2 each
"Executive Directors"	Executive directors of our Company
"Financial Statements"	Collectively, (i) the audited standalone financial statements for the financial years ended March 31, 2024, 2023 and 2022, prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS"), as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India and other relevant provisions of the Companies Act (the "Audited Standalone Financial Statements");

"Independent Director(s)"	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013
"Senior Management Personnel"	Senior management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the subsection titled " <i>Board of Directors and Senior Management Personnel</i> " beginning on page 100 of this Placement Document
Materiality Policy	A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Placement Document
"Memorandum of Association" / "MoA"	Memorandum of Association of our Company, as amended from time to time
"Non-executive Directors"	Non-executive Directors of our Company
"Non-Executive and Independent Director"	Non-executive and independent directors of our Company, unless otherwise specified
"Promoter"	The promoters of our Company, namely, Nikhil Umesh Katti, Sneha Nithin Dev, Kush Ramesh Katti, Lava Ramesh Katti, Jayashree Ramesh Katti, Sheela Umesh Katti, Ramesh Vishwanath Katti, Basavaraj S Uttur, Satish Mahalingappa Ghuli, Ravindra Shrikant Katti, Yuvaraj Chunamure, Ghuli Suhas Mahaling, Abhinandan Dhanapal, Khemalapure, Ramesh Shiralkar, Padmaja Katti.
"Promoter Group"	Individuals and entities forming part of the promoter and promoter group in accordance with SEBI ICDR Regulations.
"Registered Office"	The registered office of our Company located at Bellad-Bagewadi, Taluk-Hukkeri, District-Belgaum - 591305, Karnataka, India.
"Registrar of Companies"/ "RoC"	Registrar of Companies, Bangalore, having its office at 'E' Wing, 2 nd Floor, Kendriya Sadana, Kormangala, Bengaluru-560034, Karnataka.
"Shareholders/ Equity Shareholders"	The Equity Shareholders of our Company, from time to time
"Stakeholders' Relationship Committee"	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.

Issue related Terms:

Terms	Description
Allocated/ Allocation	The allocation of Equity Shares by our Company, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in consultation with the BRLM and in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Unless, the context otherwise requires, allotment of Equity Shares to be issued pursuant to the Issue.
Allottees	Eligible QIBs to whom Equity Shares are issued and Allotted pursuant to the Issue
Application Form	The form (including any revisions thereof) which will be submitted by an Eligible QIB for registering a Bid in the Issue during the Bid/ Issue Period
Application Amount/ Bid Amount	The aggregate amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form.
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares, pursuant to the Issue. The term "Bidding" shall be construed accordingly.

Bid/Issue Closing Date	September 21, 2024, the date after which our Company (or BRLM on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Bid/Issue Opening Date	September 11, 2024, the date on which our Company (or the BRLM on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Bid/Issue Period	Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids including any revision and/or modifications thereof
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of the Placement Document and the Application Form
Book Running Lead Manager/ BRLM	Navigant Corporate Advisors Limited
CAN / Confirmation of Allocation Note	Note or advice or intimation to successful Bidders confirming Allocation of Equity Shares to such successful Bidders after determination of the Issue Price and shall include details of amount to be refunded, if any, to such Bidders
Closing Date	The date on which the Allotment of Equity Shares pursuant to the Issue shall be made, i.e. on or about September 21, 2024
Designated Date	The date of credit of Equity Shares, pursuant to the Issue, to the Allottee' s demat account, as applicable to the respective Allottee
Eligible FPIs	FPIs that are eligible to participate in the Issue in terms of applicable law, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law. In addition, Eligible QIBs are QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made restricted from participating in the Issue under applicable law. In addition, Eligible QIBs are QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made.
Escrow Agent/ Escrow Bank	August 12, 2024
Escrow Agreement	Agreement dated August 12, 2024 entered into amongst our Company, the Escrow Agent and the BRLM for collection of the Application Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Account	Special non-interest bearing, no-lien, escrow bank account without any cheques or overdraft facilities, opened with the Escrow Agent by our Company in the name and style of "Vishwaraj Sugar Industries Limited - QIP ESCROW ACCOUNT" to the terms of the Escrow Agreement, into which the Application Amount shall be deposited by Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form.
Floor Price	The floor price of ₹ 17.51 per Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through EGM held on June 10, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations

Issue	The offer, issue and allotment of 3,00,47,700 Equity Shares at a price of ₹ 16.64 per Equity Share, including a premium of ₹ 14.64 per Equity Share, aggregating not exceeding to ₹ 990.00 million to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of Companies Act, 2013 and the rules made thereunder.
Issue Price	₹ 16.64 per Equity Share
Issue Size	The issue of 3,00,47,700 Equity Shares not exceeding to ₹ 990.00 million (Tranche-I 499.99 million, Tranche-II- 490 million)
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue.
Placement Agreement	Agreement dated July 22, 2024 entered into amongst our Company and the BRLM
Preliminary Placement Document	The Preliminary Placement Document dated August 21, 2024 issued by our Company in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder
Placement Document	The Placement Document cum application form dated September 21, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified Institutions Placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and other applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The letter from our Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts
Relevant Date	September 11, 2024, which is the date of the meeting of the QIP Committee of the Board, a committee duly authorised by our Board, deciding to open the Issue
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue.
Wilful Defaulter or a Fraudulent Borrower	Wilful Defaulter or a Fraudulent Borrower means a person or an issuer who or which is categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India; as defined under SEBI ICDR Regulation
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India or a trading day of the Stock Exchanges, as applicable

Technical and Industry Related Terms:

Term	Description
AAV	Antyodaya Anna Yojana
Acres	One Acre equals 4046.86 Square Meters
Bagasse	Fibrous pulpy material left over after sugarcane is extracted for its juice
CACP	Commission for Agricultural Costs and Prices
Cane Area Reservation	Every designated mill is obligated to purchase from cane reservation area, and conversely, farmers are bound to sell to the mill. Farmers within the cane
Chiller Compressing	Process of removing heat from a liquid via a vapour-compression or absorption refrigeration cycle
Co-generation	Simultaneous production of heat and electricity
Crushing Season	The period as set by the state government each year during which sugarcane crushing should take place.
Crystallization	Nucleation and growth of crystals.
DCS	Distributed Control System
DGFT	Director General of Foreign Trade
EMDEs	Emerging Markets and Developing Economies
ENA	Extra Neutral Alcohol
ESP	Electro Static Precipitator
FDI	Foreign Direct Investment
FMCG	Fast Moving Consumer Goods
FRP	Fair and Remunerative Price
G20	G20 is an international forum for governments and central bank governors
GDP	Gross Domestic Product
GST	Goods and Service Tax
Gunthas	40 Gunthas is equal to 1 Acre
GW	Giga Watt
HESCOM	Hubli Electricity Supply Company Limited
IMARC	Leading Market Research Company
KL	Kilo Litre
KLPD	Kilo Litre per Day
KSBCCL	Karnataka State Beverages Company Limited
KSPCB	Karnataka State Pollution Control Board
KWh	Kilo Watt per Hour
Ltrs.	Litre / Litres
Malt	Malt is germinated cereal grains that have been dried in a process known as
Mash	Mixture of alcohol, water and bacteria used for manufacture of Vinegar
Massequite	The mixture of crystals and syrup resulting from the crystallization process.
MH	Million Hectares
Minimum Distance Criteria	Under the Sugarcane Control Order, the central government has prescribed a minimum radial distance of 15 km between any two sugar mills.
MMT	Million Metric Tonnes
Molasses	The syrup separated from the crystals by Centrifuging used for producing alcohol
MT	Metric Tonnes
MW	Mega Watt
MY	Marketing Year
NFSA	National Food Security Act, 2013
OECD	Organisation for Economic Co-operation and Development

PCB	Pollution Control Board
Press-Mud	Industrial Waste available from sugar mills
QA/QC	Quality Assurance / Quality Control
RES (MNRE)	Renewable Energy Sources (Ministry of New and Renewable Energy)
SMP	Statutory Minimum Price
SPV	Special Purpose Vehicle
TCD	Tonnes Crushed per Day
TPDS	Targeted Public Distribution System
TPH	Tonnes per Hour
Water Scrubbing	Process of biogas upgradation
WEO	World Economic Outlook

Conventional & General term/Abbreviations

Terms	Descriptions
₹ / Rs. / Re./ Rupees /INR	Indian Rupee
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India, as required under the Companies Act
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Civil Procedure Code	The Code of Civil Procedure, 1908, as amended
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the rules made thereunder
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, as amended
Depository Participant/ DP	A depository participant as defined under the Depositories Act.
DIN	Director Identification Number
EBIT	Earnings Before Interest and Tax
EGM	Extraordinary General Meeting
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization less Other Income
ESG	Environment, social and governance
EPS	Earnings per share
FBIL	Financial Benchmark India Private Limited
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, as amended and the regulations issued thereunder
FEMA Non-Debt Rules/ FEMA Rules	The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder
Financial Year /Fiscal Year / Fiscal / FY	Unless otherwise stated, the period of 12 months commencing on April 1 of a year and ending on March 31 of the next year
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended

FPI/ Foreign Portfolio Investor(s)	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations
FPI Operational Guidelines	SEBI circular dated November 5, 2019 which issued the operational guidelines for FPIs
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended
FVCI	Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
GAAP	Generally accepted accounting principles
GBP	Great Britain Pound Sterling
GDP	Gross domestic product
GoI / Government	Government of India, unless otherwise specified
GST	Goods and services tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Ind AS	Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the IAS Rules
Indian GAAP	Generally accepted accounting principles in India
Income Tax Act/IT Act	The Income tax Act, 1961
Lakh/ Lac	Lakh
MCA	Ministry of Corporate Affairs, GoI
MoU	Memorandum of Understanding
Mn/ mn	Million
N.A./ NA	Not Applicable
NAV	Net Asset Value
NCLT	National Company Law Tribunal
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
Non-Resident Indian(s) / NRI	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended
NRO	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit after tax / profit for the respective period / year
PBT	Profit before tax
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity), Regulations 2021

SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SENSEX	Index of 30 stocks traded on the BSE representing a sample of large and liquid listed companies
STT	Securities Transaction Tax
TDS	Tax deducted at source
USA or U.S. or United States	United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
\$/ U.S.\$ / USD / U.S. Dollar	United States Dollar, the legal currency of the United States of America
U.S. Securities Act / Securities Act	The United States Securities Act of 1933, as amended
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31.

SUMMARY OF BUSINESS

We are an integrated sugar and other allied products manufacturing company operating from Belgaum District in the State of Karnataka, which is designated as one of the “High Recovery Zones” for sugar production by Government of India. We operate a single location sugar unit having licensed crushing capacity of 11,000 TCD. In addition to sugar, we also manufacture other allied products like Rectified Spirits, Extra-Neutral Spirits, Vinegar, Compost, Carbon dioxide (CO₂), etc. and are further engaged in the generation of Power for captive consumption as well as external sale. Our business can hence be broken up into four main segments namely Sugar, Co-Generation, Distillery and Vinegar.

In the year 2001, we commenced operations of manufacture of Distillery products such as Ethanol, Rectified Spirit and Extra Neutral Spirit. In the year 2006, our Company implemented backward integration and began commercial operations for Sugar manufacture from sugarcane, along with Co-Generation capabilities. Currently our integrated unit processes sugarcane to produce sugar and the by-products are used to generate electricity for captive use and commercial sale, manufacture rectified spirit, ENA, Vinegar, Press-mud and Compost. Over the years, we have expanded the production / manufacturing capacities of all our products. For further details, please refer to the chapter titled "**Our Business**" beginning on page 77 of this Placement Document

Financial Performance

Our financial performance for quarter ended June 30, 2024, Fiscals 2024, 2023, and 2022, our revenue from operations was ₹ 10,125.43 Lakhs, ₹ 54,970.30 Lakhs, ₹ 61,649.49 Lakhs and ₹ 47,027.41 Lakhs, respectively. Our EBITDA for quarter ended June 30, 2024, Fiscals 2024, Fiscals 2023 and Fiscals 2022 was ₹ 594.81Lakhs, ₹ 6,868.51 Lakhs, ₹ 6,906.05 Lakhs and ₹ 9,497.19 Lakhs respectively while our Profit for quarter ended June 30, 2024, Fiscals 2024, Fiscals 2023 and Fiscals 2022 was ₹ (1,72877) Lakhs, ₹ 1,449.78 Lakhs, ₹ (2,344.58) Lakhs and ₹ 6,016.04 Lakhs respectively.

Our Area of Operation

Our present licensed manufacturing capacity for our various products is given below:

Sr. No.	Product	Current Approved Capacity
1.	Sugar	2,42,000 Tons / Year
2.	Bagasse	6,60,000 Tons / Year
3.	Molasses	88,000 Tons / Year
4.	Rectified Spirit/Ethanol	1,20,000 KL / Year
5.	Extra Neutral Alcohol (ENA)	21,000 KL / Year
6.	Electricity / Power	4,96,800 MW / Hr
7.	Brewed Vinegar	10,350 KL / Year

The above licensed capacities are equivalent to a total Sugarcane crushing capacity of 11000 TCD working for approximately 200 days per year (Crushing Season) at an average 12% recovery rate for sugar, 30% for Bagasse and 4% for Molasses and 6.5% in case of B heavy Molasses.

Production of sugar, power and distillery products requires our Company to adopt stringent Quality Assurance and Quality Control standards (QA/QC). We have set-up indigenous laboratories for each department which ensure that quality of raw material used in the production process and also the finished goods delivered to our customers is subject to various tests. To access and facilitate compliance with applicable requirements, we regularly review our quality systems to determine their effectiveness and identify areas for improvement. This helps in improving our procurement process thus reducing wastages, returns and other related costs. Our Company has obtained FSSC 22000 Version 5.1 certification, vide Certificate Registration Number 44 295 22393778 the highest in Quality and Safety in sugarcane milling, clarification, juice evaporation, crystallization, centrifugation of massecuite, drying, grading and packaging of sugar in PP bags issued by TUV Nord GmBh issued on October 3, 2022 and valid until October 2, 2025. Our Company has received a certification from Eurofins Assurance India Private Limited on December 23, 2022 with validity upto January 29, 2025 vide certificate reference number F_EI0180_2023 with grade A+ for manufacturing of brewed vinegar from cane spirit by aerobic fermentation and ultrafiltration, packed in bulk into trunks or drums.

For further details, please refer to the chapter titled "**Our Business**" beginning on page 77 of this Placement Document.

SUMMARY OF THE ISSUE

The following is a general summary of this Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information appearing elsewhere in this Placement Document, including under the sections "**Risk Factors**", "**Use of Proceeds**", "**Placement**", "**Issue Procedure**" and "**Description of the Equity Shares**" on pages 32, 46, 127, 113 and 143 respectively.

Issuer	Vishwaraj Sugar Industries Limited
Issue Size	<p>Issue of up to 3,00,47,700 Equity Shares, not exceeding up to ₹ 499.99 million.</p> <p>A minimum of 10% of the Issue Size, i.e., up to 30,04,770 Equity Shares shall be available for Allocation to Mutual Funds only and the balance 2,70,42,930 Equity Shares shall be available for Allocation to all Eligible QIBs, including Mutual Funds.</p> <p>In case of under-subscription in the portion available for Allocation to Mutual Funds, such undersubscribed portion may be Allotted to other Eligible QIBs</p>
Face Value	INR 2 per Equity Share
Issue Price	INR 16.64
Date of Board Resolution	April 30, 2024
Date of Shareholder Resolution	June 10, 2024
Floor Price	<p>The floor price of ₹ 17.51 per Equity Share, which has been calculated on the basis of Regulation 176 of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price.</p> <p>However, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders of our Company through Extra Ordinary General Meeting on June 10, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.</p>
Eligible Investors	<p>Eligible QIBs, to whom this Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue.</p> <p>For further details, see "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions and Purchaser Representation" on pages 113, 129 and 138 of this Placement Document, respectively. The list of Eligible QIBs to whom this Placement Document and Application Form is delivered has been determined by our Company in consultation with the BRLM.</p>
Equity Shares issued and outstanding immediately prior to the Issue	18,77,80,000
Equity Shares issued and outstanding immediately after the Issue	September 21, 2024
Issue procedure	This Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, see " Issue Procedure " on page of 113 this Placement Document.
Listing and trading	<p>Our Company had applied for in-principle approvals each dated August 26, from BSE and NSE, respectively in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue.</p> <p>Our Company will make applications to each of the Stock Exchanges after Allotment and credit of Equity Shares to the beneficiary account with the Depository Participant to obtain final listing and trading approval for the Equity Shares to be issued pursuant to the Issue</p>

Lock-Up	For details of the lock-up, see " Placement " on page 127 this Placement Document
Transferability Restrictions	<p>The Equity Shares to be issued pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement.</p> <p>See the "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions and Purchaser Representation" on page 113, 129 and 138 of this Placement Document.</p>
Use of proceeds	The gross proceeds from this Issue for an amount not exceeding to ₹ 990.00 million. The consent for issuance of equity shares to QIBs amounting upto ₹499.99 million in first tranche and the remaining amount of ₹490 million will be raised by the Company in second tranche depending upon the market conditions. The net proceeds from this Issue, after deducting fees, commissions and expenses of this Issue, will be approximately ₹ 20 million. See "Use of Proceeds" on page 46 of this Placement Document for information regarding the use of net proceeds from this Issue.
Risk Factors	See the " Risk Factors " beginning on page 32 of this Placement Document for a discussion of risks that prospective investors should consider before investing in the Equity Shares.
Taxation	Please see the section entitled " Statement of Possible Special Tax Benefits " on page 146 of this Placement Document.
Pay-In Date	Last date specified in the CAN sent to the QIBs for payment of application money for Equity Shares issued pursuant to the Issue.
Closing Date	The Allotment of the Equity Shares, offered pursuant to the Issue is expected to be made on or about September 21, 2024
Ranking	The Equity Shares to be issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> in all respects with the existing Equity Shares of our Company, including rights in respect of dividends. The shareholders of our Company (who hold Equity Shares as on the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act. See " Description of the Equity Shares " on page 143 of this Placement Document.

BSE: 542852	NSE: VISHWARAJ
INE430N01022	

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information extracted from our Financial Statements, prepared in accordance with the applicable accounting standards (Ind AS), Companies Act, 2013 and the requirements of SEBI Listing Regulations, as applicable, and presented in "*Financial Statements*" on page 158 of this Placement Document. Please see the sections entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*", on pages 55 and 158 of this Placement Document, respectively, for further details.

Summary of Balance sheet information:

(Amount in Lakhs)

Particulars	As on 30 th June, 2024	As on 31 st March, 2024	As on 31 st March, 2023	As on 31 st March, 2022
ASSETS				
Non-current assets				
Property, plant and equipment	28,267.98	28,664.68	29,807.16	29,961.33
Right of use Assets	-	-	-	-
Capital Working in Progress	14,047.30	12,429.31	401.93	-
Intangible Assets	-	-	-	
Financial Assets				
(i) Investments	130.77	130.77	130.77	130.77
(ii) Other financial assets	376.97	372.25	445.90	509.57
Deferred Tax assets (net)	-	-	-	1,352.68
Total non-current assets	42,823.02	41,597.02	30,785.76	31,954.32
Current Assets				
Inventories	18,037.48	27,653.31	30305.28	36679.81
Financial Assets				
(i) Trade Receivables	690.27	4,063.85	4330.24	3224.51
(ii) Cash and cash equivalents	167.70	119.27	169.50	1226.70
(iii) Bank Balances other than (ii) above	-	-	89.35	89.35
(iv) Other Financial Assets	-	-	8.43	5.92
Other Current Assets	5,357.07	6,483.25	6928.49	3774.97
TOTAL ASSETS	67,075.54	79,916.70	72,617.05	76955.57
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	3,755.60	3,755.60	3755.60	3755.60
Other Equity	21,344.75	23,073.51	21804.34	24503.25
Total Equity	25,100.35	26,829.11	25559.94	28258.85
Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	8833.88	7465.67	8236.09	8969.30
(ii) Lease Liabilities	-	-	-	
Long Term Provisions	331.51	331.51	300.12	289.20
Deferred Tax Liabilities (net)	3,665.64	3,665.64	3517.13	-
Total non-current liabilities	12,831.03	11,462.83	12053.34	9258.50
Current liabilities				
Financial liabilities				
(i) Borrowings	21,869.14	29,086.39	27322.76	28074.25
(ii) Lease Liabilities				
Trade Payables				
(i) Total Outstanding dues of Micro & Small Enterprises	-	-	-	-
(ii) Total outstanding dues of creditors other than Micro & Small Enterprises	4,820.65	9,790.85	6137.12	9375.68
Other Financial liabilities	1,099.67	1,169.63	426.13	640.10
Provisions	1,025.55	1,025.55	585.55	740.05
Other Current liabilities	329.15	552.34	532.22	608.14
Current Tax liabilities (net)	-	-	-	-
Total Current Liabilities	29,144.17	41,624.76	35003.78	39438.22
TOTAL EQUITY AND IABILITIES	67,075.54	79,916.70	72617.05	76955.57

Profit And Loss:

(Amount in Lakhs)

Particulars	As on 30 th June, 2024	As on 31 March 2024	As on 31 March 2023	As on 31 March 2022
Revenue from operations	10125.43	54970.30	61649.49	46875.10
Other income	98.20	250.21	286.47	152.31
Total Revenue	10223.63	55220.51	61935.96	47027.41
Cost of raw material consumed	(69.80)	36551.76	39386.29	39153.56
Changes in inventories	9580.69	2708.57	6313.05	(7931.42)
Other Manufacturing expenses	510.38	4867.13	4892.71	3563.11
Excise and Service Tax	0.00	0.00	0.00	0.00
Employee benefits expense	463.13	2064.88	2026.95	1834.86
Finance costs	736.36	3049.61	2753.65	3227.91
Depreciation and amortization expense	397.60	1590.54	1597.69	1551.25
Other expenses	334.04	2159.65	2410.91	910.11
Total expense	11952.40	52992.15	59381.25	42309.38
Profit/(loss) before exceptional items and tax	(1728.77)	2228.36	2554.71	4718.03
Exceptional items	-	-	-	-
Profit/(loss) before and tax	(1728.77)	2228.36	2554.71	4718.03
Income tax expense:				
Current tax	-	630.08	376.93	347.44
Excess provision reversed FY 2020-21	-	0.00	0.00	(211.37)
Excess provision reversed FY 2021-22	-	0.00	(347.44)	0.00
Deferred tax	-	148.51	4869.81	(1434.08)
Profit for the year	(1728.77)	1449.78	(2344.59)	6016.04
Other comprehensive income				
Items that will not be reclassified to profit or loss	-	10.86	24.59	17.84
Items that will not be reclassified to profit or loss	-	(3.68)	(3.36)	-
Items that will be reclassified to profit or loss:				
Tax on items that may be reclassified to profit or loss	-	0.00	0.00	0.00
Tax on items that may be reclassified to profit or loss	-	0.00	0.00	0.00
Total other comprehensive income/(loss) for the year, net of tax	-	7.18	21.23	17.84
Total Comprehensive income for the year	(1728.77)	1456.96	(2323.36)	6033.88
Earnings per share				
Basic and Diluted earnings per share	(0.92)	0.78	(1.24)	0.42

Cash Flow Statement:

(Amount in Lakhs)

Particulars	As on 30 th June, 2024	As on 31 st March, 2024	As on 31 st March, 2023	As on 31 st March, 2022
Operating activities				
Net Profit before tax	(1728.77)	2228.36	2554.71	4718.03
Adjustments for				
Depreciation and amortization expense	397.60	1590.54	1597.69	1551.25
Finance Cost	736.36	3049.61	2753.65	3227.91
Dividend Income	-	(6.55)	(7.87)	(13.71)
Operating profit before working capital charges	(594.81)	6861.97	6898.18	9483.48
Movements in Working Capital				
(Increase)/Decrease in Trade Receivable	3373.58	266.39	(1105.73)	(227.51)
(Increase)/Decrease in other financial assets	(4.72)	82.07	61.16	(127.74)
(Increase)/Decrease in Inventories	9615.83	2651.97	6374.53	(8108.09)
(Increase)/Decrease in Other Current Assets	1126.19	445.24	(3153.53)	2236.35
(Increase)/Decrease in Other Non Current	-	-	(0.03)	0.00
Increase/(Decrease) in trade payables	(4970.20)	3653.73	(3238.57)	2701.20
Increase/(Decrease) in other financial	(69.96)	743.51	(213.97)	317.97
Increase/(Decrease) in other current liabilities	(223.19)	20.12	(75.92)	(2414.88)
Increase/(Decrease) in Long Term Provision	-	38.58	10.92	15.69
Increase/(Decrease) in Short Term Provision	-	252.22	(321.04)	(219.35)
Changes in Working Capital	8847.53	8153.84	(1662.18)	(5826.37)
Cash generated from operations	8252.72	15015.80	5236.00	3657.11
Interest received on Deposits	-	-	-	-
Direct Taxes Paid	-	(630.08)	(29.49)	(136.06)
Net Cash from operating activities (A)	8252.72	14385.72	5206.51	3521.05
Cash flows from Investing Activities				
Dividend Received	-	6.55	7.87	13.71
Purchase of Fixed Assets (Including WIP)	(1618.88)	(12587.69)	(1845.44)	(3323.46)
Sale of Fixed Assets	-	112.25	-	29.03
Purchase/Sale of Investment	-	-	-	-
Net Cash used in Investing Activities	(1618.88)	(12468.89)	(1837.57)	(3280.72)
Cash flow from/(used in) Financing Activities				
Proceeds from Long term borrowings	(536.53)	(699.67)	(2725.25)	(1273.63)
Repayment/(Proceeds) of/from Short-term	(5312.52)	1692.88	1240.55	691.45
Interest paid	(736.36)	(3049.61)	(2753.65)	(3227.91)
Dividend Paid	-	(187.78)	(187.78)	0.00
Share Capital	-	-	-	-
Share Premium	-	-	-	-
Net Cash used in Financing Activities	(6585.41)	(2056.40)	(4426.13)	(3810.10)
Net Increase/(Decrease) in cash and cash equivalents	48.43	(139.57)	(1057.21)	(3569.77)
Cash and cash equivalents at the beginning of the year	119.27	258.84	1316.05	4885.82
Cash and cash equivalents at the ending of the year	167.70	119.27	258.85	1316.05

RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Placement Document, including in "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Selected Statistical Information" and "Financial Statements" before making an investment in our Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition and results of operations could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. To the extent the COVID- 19 pandemic adversely affects our business and financial results, it may also have the effect of increasing many of the other risks described in this section, such as those relating to non-payment or default by borrowers. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.

This Placement Document also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to "we", "us" "our" refers to our Company.

INTERNAL RISK FACTORS:

BUSINESS RELATED RISKS:

1. We have in the past, made certain issuances and allotments of our equity shares which may not be in compliance with the applicable provisions and rules of the Companies Act, 1956.

During the period October 01, 2007 to March 31, 2008, we had made certain allotments with an aggregate of 9,564 Equity Shares of ₹ 1,000/- each. The said allotments were made in 43 different tranches, wherein the number of allottees was below the threshold limit of 50 in each individual allotment ("collectively the "Stated Allotments"). Secondly in compliance with the applicable provisions of the Companies Act, 1956, we had allotted 5,20,100 Equity Shares of ₹ 10/-each to VSL Shareholders Welfare Trust on December 10, 2010. These shares were held by the trust for a period of around 3 years and subsequently transferred to 9,671 persons/farmers in FY 2013-14 ("Stated Transfers").

Pursuant to the provisions of the then applicable Companies Act, 1956 and the recent judicial pronouncements, any invitation or offer to subscribe for shares made to 50 persons or more in any Financial Year, may be perceived as a Public Offer. Hence, the Stated Allotments and the Stated Transfer may not have been in compliance with the provisions governing public offerings, including, inter alia, issuance and registration of a prospectus. Pursuant to a press release dated November 30, 2015 and circulars no. CIR/CFD/DIL3/18/2015 dated December 31, 2015 and May 3, 2016 (collectively, the "SEBI Circular"), SEBI has provided that companies involved in issuance of securities to more than 49 persons but up to 200 persons in a Fiscal Year may avoid penal action subject to fulfilment of certain conditions. These conditions include the provision of an option to the current holders of the equity shares allotted to surrender such equity shares at an exit price not less than the amount of subscription money paid along with 15% interest per annum or such higher return as promised to investors. While we have made allotments to more than 200 individuals in FY 2007-08 and we have registered the transfer to more than 200 individuals in FY 2013-14, recognizing the intent of SEBI through the SEBI Circular, our Board, in its meeting held on August 31, 2017, voluntarily authorized our Promoters to provide an exit offer to those shareholders ("Eligible Shareholders" and such exit offers, the "Exit Offer") who held, as on a specified record date (a) Equity Shares allotted by the Company through the Stated Allotments (including through split of the face value of the Stated Shares), and/ or (b) Equity Shares held by persons on account of the Transferred Shares, acquired either through direct allotment / transfer or secondary acquisition. Subsequently, invitations were issued through Offer Letter to all the relevant Eligible Shareholders to offer the stated

Equity Shares held by them on the record date for sale to our Promoters at a purchase price calculated in accordance with the SEBI Circulars. All the formalities pertaining to the above have been completed and the relevant confirmations and certificate of the same have been submitted to SEBI as per procedure. We have also e-filed an application on December 19, 2017 with the RoC, as regards the Stated Allotments and the Stated Transfers, seeking to compound any breach of the Companies Act, 1956 on the grounds that (a) the non-compliances with the Companies Act, 1956 were unintentional and inadvertent, and (b) equity shares were allotted/transferred primarily to farmers with the intent of providing them with a meaningful engagement with our Company and granting them sustained benefits of equity interests in our Company, requesting the RoC to compound the offences under Section 441 of the Companies Act, 2013. By an order dated October 31, 2018, the Hon'ble NCLT (Bengaluru Bench) rejected our petition due to it being premature and leaving the matter to SEBI to decide the issue in accordance with law at the appropriate time. Further, there was no order as to costs. We cannot guarantee that we may not be penalised by the Hon'ble NCLT and that SEBI may not initiate appropriate proceedings for violating public issue norms including adjudication proceedings against the Company. Also, we may be subject to complaints in the future regarding the said violations. If any of the above events were to occur, we have to divert substantial resources including our management's concentration on such proceedings or complaints or both. Any such proceeding or action or any adverse order may result in fines, penalties, payment of additional amounts and potentially criminal liability and adversely affect our Company's ability to raise funds, its reputation, financial condition, results of operations and the trading prices of the Equity Shares. Further, our Promoters, namely, Late Mr. Umesh Katti and Mr. Nikhil Katti ("Acquirer Promoters") had undertaken to redress any complaints received by them in future regarding the Exit Offers and any such complaint may result in our Acquirer Promoters to devote substantial time to such complaints and their redressal and may also involve financial penalties and / or fines.

2. We intend to utilize the Net Proceeds for funding our working capital requirements.

Our business requires a significant amount of working capital. As significant amounts of our working capital are often required to finance the purchase of raw material and execution of manufacturing processes before payment is received from our customers. Further, our Company also required to meet the increasing demand and for achieving the same, adequate stocks have to be maintained which requires sufficient working capital. In the event, we are unable to source the required amount of working capital for addressing such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our products. Furthermore, our objects of the Issue include funding working capital requirements of our Company, which is based on management estimates and certain assumptions. For further details in relation to such management estimates and assumptions, please see section titled "Use of Proceeds" on page 46.

3. We have contingent liabilities, and our financial condition could be adversely affected if any of these contingent liabilities materializes.

As of March 31, 2024, contingent liabilities disclosed in the notes to our Audited Financial Statements aggregated to Rs. 2346.38 lakhs. The detail of the Contingent Liabilities that have been disclosed as of March 31, 2024 are set forth below:
(Rs. in Lakhs)

Particulars		For the year ended March 31, 2024
a)	Court Cases	1814.61
b)	EPCG Export Obligation	531.77
Total		2346.38

In respect of the above matters, future cash outflows, in respect of contingent liabilities are determinable only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

In the event that any of these contingent liabilities materialise, our financial conditions may be adversely affected.

4. Our Company is a party to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.

Our Company is a party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. Details of the proceedings involving our Company as on the date of this Placement Document along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on November 7, 2022 are given in chapter titled "Outstanding Litigations and Defaults" on page 151 of this Placement Document.

There can be no assurance that these litigations will be decided in favour of our Company, respectively, and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases filed by and against our Company please refer the chapter titled “Outstanding Litigations and Defaults” on page 151 of this Placement Document.

5. Our business is subject to seasonal variations that could result in fluctuations in our results of operation.

Our business is seasonal in nature and as a result, our operating results may fluctuate. Since our business is influenced by the availability of our basic raw material, i.e. sugarcane, our production schedules are operational only according to such availability. For example, during the crushing season the majority of our sugar production takes place and during the non-crushing season, not and therefore our sugar production is highly affected. Further, other seasonal factors such as irrigation, seed quality, area of sugarcane production and amount of rainfall also play a role in determining the quantity and quality of sugarcane produce. Consequently, the results of one reporting period may not be necessarily comparable with the preceding, succeeding or corresponding reporting periods. Our revenues recorded during planting and harvesting seasons are typically lower or even in losses as compared to revenues recorded during the crushing season. During periods of lower sugar production, we continue to incur substantial operating expenses in connection with day to day operations, employees’ salaries, miscellaneous maintenance cost and among other things, product promotion expenses which are not reduced significantly during such periods, while our revenues remain reduced. We have experienced, and expect to continue to experience, significant variability in our total revenue, operating cash flows, operating expenses and net revenues on a seasonal basis and any adverse changes may affect our business, results of operations, cash flows and financial condition.

6. The improper handling, processing or storage of raw materials or products, or spoilage of and damage to such raw materials and products, or any real or perceived contamination in our products, could subject us to regulatory and legal action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.

The products that we manufacture or process are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. We face inherent business risks of exposure to product liability or recall claims in the event that our products fail to meet the required quality standards or are alleged to result in harm to customers. Our products like sugar may be subject to contamination which may affect the health of the final consumer. These contaminations may be human induced or natural, and, as a result, there is a risk that they could affect our processed sugar or other products. There is a potential for deterioration of our sugar products as a result of improper handling at the processing, packing, storing or transportation levels, which may adversely affect our customer image.

Such risks may be controlled, but not eliminated, by adherence to good manufacturing practices and finished product testing. We have little, if any, control over proper handling once our products are shipped to our customers. We face the risk of legal proceedings and product liability claims being brought by various entities, including consumers, distributors and government agencies for various reasons including for defective or contaminated products sold or services rendered. If we experience a product recall or are a party to a product liability case, we may incur considerable expense in litigation. We cannot assure that we will not experience product recalls or product liability losses in the future. Further, we do not have any product liability insurance cover and getting such an insurance afresh will require additional cost. Any product recall, product liability claim or adverse regulatory action may adversely affect our reputation and brand image, as well as entail significant costs in excess of available insurance coverage, which could adversely affect our reputation, business, results of operations and financial condition.

7. Sugar is a regulated industry.

Sugar is an essential commodity, and is included within the purview of the Essential Commodities Act, 1955 and consequently, its production, supply and distribution are regulated by the state and central government. The Cane Commissioner of each state reserves and assigns areas for the supply of sugarcane to factories on an equitable distribution basis.

The purchase price of sugarcane is regulated and the central government fixes the minimum price of sugarcane, termed the Statutory Minimum Price, which must mandatorily be paid by sugar producers to sugarcane growers, within a specified time. GoI, through the Sugar Directorate, can further fix the quantity and quality of sugar, which may be produced in a factory during any year, and can regulate the sale of sugar. Mills must sell a specified percentage termed as “Free Sale Sugar”, which is currently at 90% of their production in the open market and are thereby subject to the

forces of demand and supply. However, the quantity to be sold is based on a Monthly Release Mechanism governed by the Sugar Directorate. The remaining portion of a sugar factories production, commercially termed as “Levy Sugar”, must be sold as per government directions through fair price shops and the public distribution system at government notified prices, which could be below the cost of production. Various taxes and levies are also imposed on the purchase, use, consumption and sale of sugarcane. Any change in governmental or legal policies or the applicability of the present regulations and policies to our detriment, can adversely affect our business, operations and profitability.

8. We require various licences and approvals for undertaking our business and if we fail to obtain, maintain, or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business and results of operations may be adversely affected.

Our operations are subject to government regulations, and we are required to obtain and maintain several statutory and regulatory permits, approvals, and consents under central, state, and local government rules in India, generally for our business and each of the manufacturing facilities. Further, certain approvals for our manufacturing facilities are required to be applied or renewed on an ongoing basis. The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged noncompliance with any terms or conditions thereof, or pursuant to any regulatory action.

For the Project, Environmental Clearance has been obtained and we may be required to obtain certain other approvals and permissions for undertaking the Project. The details of such approvals and permissions which will be required for the installation and operation of the Project and the status of receipt of such approvals. The Issuer may be unable to obtain such approvals/consents or renew such approvals within the stipulated time. Additionally, any historical or future failure to comply with the terms and conditions of the existing regulatory or statutory approvals may cause the Issuer to lose or become unable to renew such approvals. Any delay in obtaining or renewing approvals, as applicable, in a timely manner may delay the installation of the Project in accordance with the Schedule of Implementation which may in turn adversely impact our reputation, operations and cash flows.

9. Our operations can be adversely affected in case of industrial accidents at our manufacturing unit. Any fire or mishap or accidents of such nature at the Company’s facilities could lead to accident claims and damage and loss of property, inventory, raw materials, etc. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

Our manufacturing process requires the use of machines, which makes the labour employed at our manufacturing unit prone to accidents that occur during the course of our operations resulting in personal injuries causing permanent disability or even death. Due to its combustible nature of the raw materials and finished products manufactured by us, we may be exposed to fires or other industrial accidents and every stage from procurement, processing, storage and transportation to trading is fraught with an imminent risk of loss by fire. With the use of chemicals, boilers, large volume of air for material handling, etc. the risk of fire hazard increases exponentially. The stocks of finished goods, raw materials, godowns and the main manufacturing area are more prone to such accidents, which could cause substantial loss to our machinery, thus, hampering our business operations. If there occurs an accident or mishap due to fire, it could adversely affect our results of operations and financial position.

Although, we have taken appropriate insurance cover, there can be no assurance that our insurance policies will be adequate to cover the losses which we may incur due to the occurrence of an accident or a mishap.

There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. We have adopted adequate safety measures; however, we cannot assure you that, in the future no such cases will be instituted against our Company, alleging that we were negligent or we did not provide adequate supervision therefore, holding us liable for injuries that were suffered during the manufacture of our products. In the event any such accidents take place in the manufacturing unit of our Company, we may get involved in litigation or other proceedings, or be held liable in any litigation or proceedings, incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business and results of operations. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it may adversely affect our results of operations and financial position.

10. The introduction of additional government control or newly implemented laws and regulations, depending on the nature and extent thereof and our ability to make corresponding adjustments, may adversely affect our business, results of operations and financial condition.

Decisions taken by regulators concerning economic policies or goals that are inconsistent with our interests could adversely affect our results of operations. These laws and regulations and the way in which they are implemented and enforced may change from time to time and there can be no assurance that future legislative or regulatory changes will not have an adverse effect on our business, financial condition, cash flows and results of operations. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. In case we fail to comply with these requirements, or a regulator alleges we have not complied with these requirements, we may be subject to penalties and compounding proceedings.

11. Bagasse, which is derived from sugarcane, and other biomass based fuels are the basic raw materials for our co-generation business. Any constraint in the availability or fluctuations in the price of sugarcane may affect the current or future capacity utilisation of the co-generation plant.

Bagasse and other biomass based products such as rice husk, cane trash, mustard stalk/husk woodchips, are raw materials for the co-generation business. Availability of the primary fuel, Bagasse is dependent on the supply of sugarcane. Further, these raw materials are also used in some industries such as paper and paperboard. The availability of Bagasse and other biomass based raw materials for co-generation is subject to changes in the consumption patterns and other market forces in such other industries. Additionally, other industries may offer higher prices which may divert the supply of externally sourced raw material, which may in turn adversely affect the availability or pricing of these raw materials could impact our co-generation business and our profitability. Any constraint in the availability of sugarcane may affect the availability of Bagasse and consequently, the business of our co-generation plant.

12. Our Distillery business is molasses based, which is derived from sugarcane. Any constraint in the availability of sugarcane may affect the current or future capacity utilisation of the distillery business.

One of the by-products of sugar production is molasses. Our distillery uses molasses as raw material for production of ethanol. Though in the past we have resorted to purchase of molasses from other sugar mills, currently our dependence on external supply of raw materials is minimal. Any constraint in the availability of molasses, will affect the results of our distillery business.

13. Any downgrade in our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis.

Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. We have received ratings from rating agencies, any downgrade in our credit ratings may result in an increase in the interest rates for refinancing our borrowings, which would increase our cost of borrowings, and impact our ability to borrow on a competitive basis. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of repayment of certain of our borrowings. If any of these risks materialise, it could have a material adverse effect on our business, cash flows, financial condition and results of operations.

14. Our Promoters, Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.

Our Promoters, Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoters, Directors and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details, please see the section titled "Financial Information" at page 158 of this Placement document.

There can be no assurance that our Promoters, Directors, Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

15. Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Key Managerial Personnel. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.

The growth and success of our Company's future significantly depends upon the experience and continued services and the management skills of our Promoters, Key Managerial Personnel and the guidance of our Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business.

16. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could adversely affect our business, results of operations and financial condition.

We have experienced considerable growth and we have expanded our operations and product portfolio. Our Company has a manufacturing unit in Belgaum, Karnataka for manufacturing molasses-based ethanol. Our revenue from operations stood at a rate of (10.83%) between Fiscals 2023 and 2024, while our profit after tax grew at a rate of 161.84% between Fiscals 2023 and 2024. We cannot assure you that our growth strategies will continue to be successful or that we will be able to continue to expand further, or at the same rate. We cannot assure you that we would be able to successfully implement our growth plans and strategies for our new manufacturing unit or that we will not face delays in our plans. Our inability to execute our growth strategies in a timely manner or within budget estimates or our inability to meet the expectations of our customers and other stakeholders could have an adverse effect on our business, results of operations and financial condition. Our future prospects will depend on our ability to grow our business and operations. The development of such future business could be affected by many factors, including general, political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates and price of equipment and raw materials. Further, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Failure to manage growth effectively could adversely affect our business and results of operations.

17. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

We have declared and paid dividend in the past. Our Board approved and adopted a formal dividend policy in accordance with the SEBI Listing Regulations. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and further subject to approval by our Shareholders and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. As a result, we cannot assure you that we will be able to pay dividends in the future. For further information on the dividend paid by the Company during the last three years, see "Dividend" on page 53.

18. We have not commissioned an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled "Industry Overview" of this Placement Document. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that

presented in this Placement Document. Further, the industry data mentioned in this Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Letter of Offer in this context.

ISSUE SPECIFIC RISKS

19. Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if securities transaction tax ("STT") was paid on the sale transaction.

However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains.

As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 1, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

These amendments have been notified on December 10, 2019; however, these amendments will come into effect from July 1, 2020. The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Further, the Government of India has announced the union budget for the financial year 2022, pursuant to which the Finance Bill, 2021 ("Finance Bill 2021") has introduced various amendments. The Finance Bill 2021 has received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021 ("Finance Act").

Thereafter, the Government of India has announced the union budget for the Financial Year 2023, and the Finance Bill, 2022 ("Finance Bill 2022") has been introduced in Lok Sabha on February 1, 2022. The Finance Bill 2022 is scheduled to be passed in the ongoing budget session of the Parliament. We have not fully determined the impact of these recent and proposed laws and regulations on our business.

20. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares who have voted on such resolution. However, if the law of the jurisdiction that you are in, does not permit the exercise of such pre-emptive rights, without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise, available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

21. Applicants to the Issue are not allowed to withdraw or revise downwards their Bids after the Bid /Issue Closing Date.

In terms of the SEBI ICDR Regulations, applicants in the Issue are not allowed to withdraw their Bids after the Bid/Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operations and financial condition of our Company, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Bid/ Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Bid/Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

22. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account is listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on BSE and NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

23. Fluctuations in the exchange rate between the Rupee and the U.S. Dollar could have an adverse effect on the value of our Equity Shares, independent of our operating results

Our Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Rupees and subsequently converted into U.S. Dollars for repatriation, as required. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors in terms of domicile currency of the investor. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate between the Rupee and the U.S. dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from our Equity Shares, independent of our operating results.

24. Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

25. Any future issuance of Equity Shares by us or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares.

Any future issuance of our Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise

encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

26. After this Issue, our Equity Shares may experience price and volume fluctuations.

The Issue Price has been determined by us in consultation with the Book Running Lead Manager, based on the Bids received in compliance with Chapter VI of the SEBI ICDR Regulations, and may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

27. An investor will not be able to sell any of our Equity Shares subscribed in this Issue other than on a recognized Indian stock exchange for a period of 12 months from the date of this Issue.

The Equity Shares in this Issue are subject to restrictions on transfers. Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the issue of Equity Shares in this Issue, QIBs subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the Stock Exchanges and may not enter into any off-market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have a n effect on the price and liquidity of the Equity Shares.

EXTERNAL RISKS

28. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares. Our performance, growth and market price of our Equity Shares are and will be dependent on the health of the Indian economy. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

29. A slowdown in economic growth in India could cause our business to suffer.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- (1) any increase in Indian interest rates or inflation;
- (2) any scarcity of credit or other financing in India;
- (3) prevailing income conditions among Indian consumers and Indian corporations;
- (4) volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- (5) variations in exchange rates;
- (6) changes in India's tax, trade, fiscal or monetary policies;
- (7) political instability, terrorism or military conflict in India or in countries in the region or globally,
- (8) including in India's various neighbouring countries;
- (9) prevailing regional or global economic conditions; and
- (10) other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

30. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

31. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of corporate and tax laws, may adversely affect our business and financial results.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- The General Anti Avoidance Rules ("GAAR") have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- A comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require

significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future. Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

32. Investors may have difficulty enforcing foreign judgments against us or our management.

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and all of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India. Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 (“CPC”) on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the number of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

33. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian

companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

34. We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are listed on BSE and NSE. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. Factors that may adversely affect the Indian economy, and hence our results of operations may include:

1. any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
2. any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
3. prevailing income conditions among Indian customers and Indian corporations;
4. epidemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
5. hostile or war like situations with the neighbouring countries;
6. macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
7. volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
8. decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
9. downgrading of India's sovereign debt rating by rating agencies; and
10. difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. For example, our manufacturing facilities are located in western India, hence any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting this region may adversely affect our operations.

35. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares. The recent outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

36. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

There could be a downgrade of India's sovereign debt rating due to various factors, including changes in tax or fiscal policy, or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India, which may cause fluctuations in the prices of our Equity Shares. This could have an adverse effect on our business and financial performance, and ability to obtain financing for expenditures.

MARKET PRICE INFORMATION

As at the date of this Placement Document, 18,77,80,000 Equity Shares are issued and subscribed and fully paid up. The Equity Shares have been listed on BSE and NSE since October 15, 2019. The Equity Shares are listed and traded on NSE under the symbol VISHWARAJ and BSE under the scrip code 542852.

On September 20, 2024, the closing price of the Equity Shares on BSE and NSE was ₹ 18.80 and ₹ 18.78 per Equity Share respectively. Since the Equity Shares are actively traded on the Stock Exchanges, the market price and other information for each of BSE and NSE has been provided separately.

The following tables set forth the reported high, low and average prices and the trading volumes of the Equity Shares on the Stock Exchange on the dates on which such high and low prices were recorded for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022:

BSE

Financial Year	High	Date of High	Number of Equity Shares Traded on the Date of high	Total Turnover of the Equity Shares Traded on The Date of High (₹)	Low	Date of Low	Number of Equity Shares Traded on the Date of Low	Total Turnover of the Equity Shares Traded on The Date of Low (₹)	Average Price for the year
2024	20.86	21-06-2023	21,55,510	4,27,69,197	14.19	28-03-2024	1,67,738	24,16,742	17.851
2023	22.60	22-04-2022	17,46,107	3,91,93,583	13.27	28-03-2023	1,69,395	22,63,197	19.03
2022	187.60	18-10-2021	2,32,514	4,22,69,417	19.55	24-02-2022	10,70,831	2,16,30,915	29.79

Source: www.bseindia.com

NSE

Financial Year	High	Date of High	Number of Equity Shares Traded on the date of high	Total Turnover of the Equity Shares Traded on The Date of High (₹)	Low	Date of Low	Number of Equity Shares Traded on the Date of Low	Total Turnover of the Equity Shares Traded on The Date of Low (₹)	Average Price for the year
2024	20.80	21-06-2023	1,24,39,714	25,13,32,883.7	14.20	28-03-2024	17,24,803	2,48,30,283.95	17.94
2023	22.60	22-04-2022	67,83,872	15,29,71,380.75	13.30	28-03-2023	9,00,737	1,20,39,410.65	18.93
2022	188.20	18-10-2021	12,86,896	23,41,50,629.55	19.65	24-02-2022	30,14,363	6,08,13,552.55	32.65

Source: www.nseindia.com

Note:

1. High and low prices are based on the daily closing prices.
2. In case of two days with the same closing price, the date with the higher volume has been chosen.
3. In the case of a year, average price for the year represents the total turnover for the year divided by the total number of shares traded during the year.
4. The following tables set forth the reported high, low and average market prices and the trading volumes of the Equity Shares on the Stock Exchange on the dates on which such high and low prices were recorded during each of the last six months:

BSE:

Month	High	Date of High	Number of Equity Shares Traded on the date of high	Total Turnover of the Equity Shares Traded on The Date of High (₹)	Low	Date of Low	Number of Equity Shares Traded on the Date of Low	Total Turnover of the Equity Shares Traded on the Date of Low (₹)	Average Price for the Month
August 2024	18.49	30-08-2024	9,67,659	1,86,59,817	15.88	06-08-2024	1,15,517	18,63,035	16.50
July 2024	17.46	04-07-2024	2,26,243	39,20,841	15.97	23-07-2024	58,021	9,28,176	16.79
June 2024	17.83	20-06-2024	3,28,475	58,87,642	14.68	04-06-2024	3,63,769	53,70,409	16.56
May 2024	16.68	02-05-2024	1,82,640	30,50,616	15.12	30-05-2024	1,07,421	16,39,749	15.99
April 2024	16.99	29-04-2024	1,71,271	29,15,003	15.56	01-04-2024	1,85,912	28,31,543	16.19
March 2024	17.66	01-03-2024	1,31,705	23,30,430	14.19	28-03-2024	1,67,738	24,16,742	15.71

Source: www.bseindia.com

NSE:

Month	High	Date of High	Number of Equity Shares Traded on the date of high	Total Turnover of the Equity Shares Traded on The Date of High (₹)	Low	Date of Low	Number of Equity Shares Traded on the Date of Low	Total Turnover of the Equity Shares Traded on the Date of Low (₹)	Average Price for the year
August 2024	18.44	30-08-2024	1,53,70,717	29,60,80,426.56	15.87	06-08-2024	9,47,310	1,52,57,390.52	16.49
July 2024	17.47	04-07-2024	14,68,305	2,54,90,141.54	15.91	23-07-2024	10,57,308	1,69,23,231.97	16.78
June 2024	17.82	19-06-2024	57,26,664	10,14,43,210.55	14.75	04-06-2024	11,41,107	1,69,03,728.85	16.56
May 2024	16.68	02-05-2024	1,82,640	30,50,616	15.12	30-05-2024	1,07,421	16,39,749	15.99
April 2024	16.99	29-04-2024	1,71,271	29,15,003	15.56	01-04-2024	1,85,912	28,31,543	16.19
March 2024	17.66	01-03-2024	1,31,705	23,30,430	14.19	28-03-2024	1,67,738	24,16,742	15.71

Source: www.nseindia.com

NOTES:

- High and low prices are based on the daily closing prices.
- In case of two days with the same closing price, the date with the higher volume has been chosen.
- In the case of a month, average price for the month represents the total turnover for the month divided by the total number of shares traded during the month.

2. The following table set forth the details of the number of Equity Shares traded and the turnover during the last six months and the Financial Years ended March 31, 2024, 2023 and 2022 on the Stock Exchanges:

Period	Number of Equity Shares Traded		Turnover (In ₹)	
	BSE	NSE	BSE	NSE
FY 2023-24	8,35,22,540	54,78,36,407	1,49,04,94,694	9,82,55,65,258.85
FY 2022-23	4,98,33,657	22,10,65,611	94,82,70,534	4,18,40,17,621.15
FY 2021-22	13,17,47,277	66,23,05,918	3,92,51,84,562	21,62,61,42,655.85
August-24	52,55,593	4,60,27,804	9,19,68,482	81,79,78,340.1
July-24	42,00,593	3,53,99,367	60,00,62,282.80	7,11,62,293
June-24	43,16,703	3,80,01,440	7,28,15,554	65,10,67,443.22
May-24	16,77,500	1,30,69,378	2,68,30,079	20,84,56,304.30
Apr-24	25,70,953	2,14,94,952	4,18,75,541	35,07,00,558.85
Mar-24	39,59,988	2,16,67,417	6,22,21,918	34,10,35,381.15

Source: www.bseindia.com and www.nseindia.com

3. The following table sets forth the market price on the Stock Exchanges on April 30, 2024, the first working day following the approval of our Board of Directors for the Issue:

	Open	High	Low	Close	Number of Equity Shares traded	Volume
BSE	16.69	16.91	16.58	16.68	1,82,640	30,50,616
NSE	16.75	17.00	16.60	16.70	6,04,532	1,01,14,855.70

USE OF PROCEEDS

The Gross Proceeds from the Issue aggregate to ₹ 9900 Lakhs. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and the estimated expenses of the Issue of approximately ₹ 200 Lakhs, shall be approximately ₹ 9700 Lakhs (the “Net Proceeds”).

Objects of the Issue

Subject to compliance with applicable laws, our Company intends to use the Net Proceeds towards funding the following objects:

- 1) Funding working capital requirements of our Company; and
- 2) General corporate purposes (collectively, “Objects”)

The objects clause and matters in furtherance of the objects, as set out in the memorandum of association of our Company enable us to undertake (i) existing business activities and (ii) the activities proposed to be funded from the Net Proceeds.

Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in the manner set forth below:

(Rs. In Lakhs)		
Sr. No.	Particulars	Amount
1.	Funding working capital requirements of our Company	Upto 7,605.76
2.	General Corporate Purpose ⁽¹⁾⁽²⁾	2094.24
	Total Net Proceeds ⁽²⁾	9700.00

(1) The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

(2) To be determined upon finalisation of the Issue Price and updated in the Placement Document.

In the event of a change in the final Issue size, the amounts shown in the table above against each of the use of proceeds specified therein shall be modified in proportion to the change in the final Issue size in the Placement Document.

Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

Sr. No.	Particulars	Amount to be funded from Net Proceeds	Proposed schedule for deployment of the Net Proceeds	
			FY 2024-25	FY 2025-26
1.	Funding working capital requirements of our Company	Upto 7,605.76	Upto 6,626.44	979.31
2.	General Corporate Purpose ⁽¹⁾⁽²⁾	2094.24	1465.97	628.28
	Total Proceeds ⁽²⁾	9700	8092.41	1607.59

(1) The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

(2) To be determined upon finalisation of the Issue Price and updated in the Placement Document.

The above-stated funding requirements, deployment of funds and the intended use of Net Proceeds indicated above is based on management estimates, current circumstances of our business, our existing business plans, the prevailing market conditions and other commercial and technical factors. Given the nature of our business, we may have to revise our funding requirements and intended deployment schedule on account of a variety of factors such as our financial condition, business and growth strategy, and external factors such as market conditions, competitive environment, price fluctuations and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. Depending upon such factors, we may have to reduce or extend the deployment period for the stated objects. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with the applicable laws. If the actual utilisation towards the objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements

for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws. For details, see “Risk Factors – We have high working capital requirements. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, cash flows and financial condition.” on page 28.

Details of the Objects

1. Funding working capital requirements of our Company

We propose to utilize ₹ 7,605.76 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2025 and Fiscal 2026. We have significant working capital requirements in the ordinary course of business, which we typically fund through internal accruals and availing financing facilities from various lenders. As at March 31, 2024, on a standalone basis, the aggregate amounts outstanding under the fund based and non-fund based working capital facilities of the Company are ₹ 25662.04 Lakhs and Nil, respectively. The deployment of net proceeds shall be on a need basis over the course of the Fiscal 2025 and Fiscal 2026, in accordance with the working capital requirements of our Company.

Set forth below is the working capital and holding period of our Company, on a standalone basis, as at Financial year ended March 31, 2024, and for the financial years ended March 31, 2023, March 31, 2022 and source of funding, as certified by P G Ghali & Co., Chartered Accountants, through their certificate dated July 20, 2024:

Sr. No.	Particulars	31.03.2022	31.03.2023	31.03.2024	31.03.2025	31.03.2026
		Audited	Audited	Audited	Estimated	Estimated
A.	Current Assets					
	Inventories	36679.81	30305.28	27653.31	33057.00	34880.03
	Trade Receivable	3224.51	4330.24	4063.85	6061.79	6191.69
	Short Term Loans & Advances and Other Current Assets	3780.89	6936.92	6483.25	6000.00	6070.00
	Total Current Assets	43685.21	41572.44	38200.41	45118.80	47141.72
B.	Current Liabilities					
	Trade payable	9375.68	6137.12	9790.85	10330.31	11373.92
	Other current liabilities	1248.24	958.35	1721.97	1500.00	1500.00
	Short Term Provisions	740.05	585.55	1025.55	1000.00	1000.00
	Total Current Liabilities	11363.97	7681.02	12538.37	12830.31	13873.92
C.	Working Capital Gap (A-B)	32321.24	33891.42	25662.04	32288.48	33267.80
D.	Owned Funds /Internal Accruals & Debt	32321.24	33891.42	25662.04	25662.04	32288.48
E.	Working Capital funding through Issue Proceeds	-	-	-	6626.44	979.31

Assumption for Working Capital Requirement

Assumptions for holding level (Days)

Particulars	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026
Inventory	342.34	241.63	239.70	220.38	223.99
Trade Receivable	24.22	22.36	27.87	29.23	32.16
Trade Payable	84.21	55.96	65.87	73.04	71.56

Justification of Holding Level of last 3 years and estimated for FY 2024, FY 2025 & FY 2026:

Sr. No.	Particulars	Assumptions
Current Assets		
1	Revenues from operations:	The revenues from operations from FY 2021- 2022 increased by 9.92%, in FY 2022 to FY 2023 have increased by 31.52% and the revenues from operations from FY 2023 to FY 2024 has decreased by 10.83%. However, going forward we have estimated the rationalization in increase our revenues in FY 2025 by 15.00% as compared to revenue of FY 2024 and in FY 2026 by 10.00% due to estimated

Sr. No.	Particulars	Assumptions
		increase in volume of operations and industry growth.
2	Inventories:	We have maintained average inventory in fiscal 2022 of 342.34 days of cost of goods sold, in fiscal 2023 of 241.63 days, in fiscal 2024 of 239.70 days. Going forward we estimate average inventory of 220.38 days in FY 2025 and of 223.99 days in financial year 2025-2026.
3	Trade receivables	Our average Trade Receivable holding period level was 24.22 days in financial year 2021-22, 22.36 days in financial year 2022-23, holding period level was 27.87 days in financial year 2023-24. We have assumed the Trade Receivable holding period level of around 29.23 days in FY 2025 and 32.16 days in financial year 2025-26 which is in line with historical period.
4	Other current assets including other financial assets.	The key items under this head are advance to suppliers, staff, other advances, security deposit with statutory authorities, Balances of taxes with Government authorities, prepaid expenses etc.
Current Liabilities		
5	Trade payables	Our payable's credit period was 84.21 days in financial year 2021-22, 55.96 days in financial year 2022-23, credit period was 65.87 days in financial year 2023-24. Going forward our company will strive to adhere to stricter credit policy to achieve better and favorable pricing terms. By making early payments to the service providers (i.e., availing lower credit periods), the company shall be able to get competitive prices which would result in a reduction in the cost as a percentage of cost of goods sold thereby increasing the profitability of the Company. Thus, the Company has estimated credit period of 73.04 days in FY 2024-25 and 71.56 days in FY 2025-26 which would in turn help in reducing the cost of sales and improve profitability margins.
6	Other current liabilities	Other current liabilities include provisions, statutory dues, expenses payable etc.

Justification for utilization of Working Capital requirement for financial year 2024-25 and 2025-26:

We have estimated Rs. 63215.85 Lacs and 69537.43 Lacs turnover during the Financial Year 2024-25 and 2025-26 respectively. We have calculated the Working capital requirement as per standard holding levels of the industry and the Company. Accordingly, we need additional working capital funds for expansion of business.

Our Company proposes to utilize upto Rs. 6626.44 and Rs. 979.31 Lakhs from the Net Proceeds towards funding our working capital requirements in the FY 2025 and 2026 respectively.

2. General Corporate Purposes

Our Company intends to deploy ₹ 2094.24 Lakhs from the Net Proceeds towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds. Such general corporate purposes may include, but are not restricted to meeting fund requirements which our Company may face in the ordinary course of business, any capital expenditure, repayment or pre-payment of our borrowings, strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, investment in our Subsidiaries/associates, meeting expenses incurred in the ordinary course of business, and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with applicable law, including the necessary provisions of the Companies Act, 2013. The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds towards the purposes described in this section, our Company shall deposit the Net Proceeds in a separate bank account with a scheduled commercial bank included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market / mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws.

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC, and the final listing and trading approvals are received from each of the Stock Exchanges, whichever is later.

Monitoring of utilisation of funds

As the issue size does not exceeds Rs. 10,000 Lakhs in terms of Regulation 173A of the SEBI ICDR Regulations, 2018 our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Other confirmations

As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

Neither of our Promoters, members of the Promoter Group or Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects. None of our Promoters, members of the Promoter Group or our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management are not eligible to subscribe in the Issue.

Further, since the Net Proceeds of the Issue are proposed to be utilised towards the purposes set forth above, and not for implementing any specific project, the following disclosure requirements under Schedule VII of the SEBI ICDR Regulations are not applicable: (i) break-up of cost of the project, (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

There are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel and/or Senior Management.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization and total borrowings as at March 31, 2024 which is derived from our Audit Results and as adjusted to give effect to the receipt of the gross proceed. This table should be read in conjunction with the sections "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 55 and 158 of this Placement Document, respectively.

Sr. No.	Particulars	Pre-Issue As on June 30, 2024 (Refer Note-1 below)	Post Issue Amount after considering the Issue (Refer Note-2 & 3 below)
1.	Borrowings		
	Short term Borrowing	21,869.14	21,869.14
	Long Term Borrowing	8,833.88	8,833.88
	Total Borrowings (a)	30,703.02	30,703.02
2	Shareholder's Fund		
	Share Capital	3,755.60	4356.55
	Other Equity	21,344.75	25,743.73
3	Total Funds (excluding borrowings) (b)	25,100.35	30,100.28
	Total Capitalization	55,803.37	60,803.30

Notes:

1. Amounts derived from the Unaudited Financial Results for the quarter ended June 30, 2024.
2. The figures included under Post Issue column relating to the shareholder's fund are derived after considering the impact due to the issue of the Equity Shares only through the qualified institutions placement assuming that the Issue will be fully subscribed and does not include any other transactions or movements/ issue related expenses.
3. Will be finalized upon determination of Issue Price.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Placement Document is set forth below:

(In Rs. Lakhs, except share data)

		Aggregate value at face value	Aggregate value at Issue Price
A	AUTHORISED SHARE CAPITAL		
	30,00,00,000 Equity Shares (having a face value of Rs.2 each)	6,000.00	-
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	18,77,80,000 fully paid-up Equity Shares	3,755.60	-
C	PRESENT OFFER IN TERMS OF THIS PLACEMENT DOCUMENT		
	3,00,47,700 Equity Shares aggregating to approximately Rs. 499.99 Lakhs ⁽¹⁾⁽²⁾	600.95	4999.94
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	21,78,27,700 Equity Shares	4356.55	-
E	SECURITIES PREMIUM ACCOUNT		
	Before the Offer		2,966.39
	After the Offer ⁽²⁾⁽³⁾		7365.37

1) The Issue has been authorised by the Board of Directors pursuant to its resolution passed on April 30, 2024. The Shareholders of our Company have authorised and approved the Issue by way of a special resolution passed in the Extra-Ordinary General Meeting dated June 10, 2024.

(2) To be determined upon finalisation of the Issue Price.

(3) The securities premium account after the Issue is calculated on the basis of Gross Proceeds.

Pre-Offer and Post-Offer shareholding pattern

Sr. No.	Category	Pre-Offer as of June 30, 2024			Post-Offer*	
		Number of Equity Shares held	Number of Partly Paid Up Equity Share	% of shareholding	Number of Equity Shares held	% of shareholding
A.	Promoter's holding[#]					
	Indian					
1	Individuals	6,32,72,310	-	33.69	6,32,72,310	29.05
	Sub-total (A)	6,32,72,310	-	33.69	6,32,72,310	29.05
B.	Non - Promoter's holding					
	Institutional investors					
1	Domestic	-	-	-		
2	Foreign	2,47,555	-	0.13	3,02,95,255	13.91
	Non-institutional investors					

1	Individual share capital upto Rs. 2 Lacs	10,48,69,056	-	55.85	10,48,69,056	48.14
2	Individual share capital in excess of Rs. 2 Lacs	1,00,60,809	-	5.36	1,00,60,809	4.62
3	Non Resident Indians (NRIs)	28,34,560	-	1.51	28,34,560	1.30
4	NBFCs registered with RBI	-	-	-	-	-
5	Bodies Corporate	32,55,197	-	1.73	32,55,197	1.49
6	Any Other	32,40,513	-	1.73	32,40,513	1.49
	Sub-total (B)	12,45,07,690	-	66.31	15,45,55,390	70.95
C.	Non-Promoter- Non Public shareholder					
1	Custodian/DR Holder	-	-	-	-	-
2	Employee Benefit Trust	-	-	-	-	-
	Sub-total (C)	-	-	-	-	-
	Total (A+B+C)	18,77,80,000	-	100.00	21,78,27,700	100

* The details of the post-Issue shareholding pattern have been intentionally left blank and will be filled in before filing of the Placement Document with the Stock Exchanges.

Includes shareholding of the members of the Promoter Group.

There are no outstanding options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Placement Document.

No change in control in our Company will occur consequent to the Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottee for a period of one year from the date of allotment, except on the Stock Exchanges.

Proposed Allottees in the Issue

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them is set forth in "Proposed Allottees in the Issue" on page 159 of this Placement Document.

DIVIDENDS

The declaration and payment of dividends, if any, will be recommended by our Board and approved by our shareholders at their discretion, subject to the provisions of the Articles of Association and the applicable laws, including the Companies Act, 2013. Our Board may also, from time to time, declare interim dividends.

Our Company has approved and adopted a formal dividend distribution policy in accordance with Regulation 43A of the SEBI Listing Regulations. In terms of this policy, the declaration of dividend is dependent on various financial / interim parameters which include, among others, profits of the Company, past dividend pattern / trends, operating cash flow of the Company, and present and future capital requirements of the existing business and external factors which include the economic environment, capital markets, global conditions, any political, tax and regulatory changes in the geography in which the Company operates, and any other relevant factors as deemed fit by the Board.

The table below sets out details in relation to the dividend proposed and paid by our Company on the Equity Shares in Fiscals 2024, 2023 and 2022.

Particulars	Fiscals 2024**	Fiscals 2023	Fiscals 2022
Face value of Equity Shares (₹ per Equity Share)	2	2*	10
Dividend per Equity Share (in ₹)	0.20	0.30	1
Total amount of dividend declared (₹ in millions)	37.56	56.33	37.56
Dividend rate (%)	10%	15%	10%

* The shares of the company have been sub divided from 1 (One) Equity Share of the Company having a face value of Rs. 10/- (Rupees Ten only) each be sub-divided into 5 (Five) Equity shares of Face Value of Rs. 2/- (Rupee Two only) each fully paid up as on October 21, 2021.

** The Board has recommended a final dividend of Rs.0.20 (10% of Face value) per equity share as dividend for the financial year 2023-24 subject to approval of the shareholders.

Our past practices with respect to the declaration of dividend are not necessarily indicative of the dividend distribution policy of our Company or of our future dividend declaration. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future. The form, frequency and amount of future dividends depend on a number of internal and external factors in addition to those contemplated under our dividend distribution policy, including, but not limited to, our Company's earnings, financial condition, liquidity position, working capital and other financing requirements considering expansion and acquisition opportunities, lender approvals, contractual obligations, stipulations / covenants of loan agreements, macroeconomic and business conditions in general, applicable legal restrictions and other factors, and shall be at the discretion of our Board and subject to the approval of our shareholders. Investors are cautioned not to rely on past dividends as an indication of our future performance or for an investment in the equity shares. For a summary of some of the restrictions that may inhibit our ability to declare or pay dividends, see "Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements" on page 37.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) Fiscal 2024, (ii) Fiscal 2023; and (iii) Fiscal 2022; as per the requirements under Ind AS 24, please see the section entitled "*Financial Statements*" on page 158 of this Placement Document.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Placement Document may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Placement Document. For further information, see "Forward-Looking Statements" and "Risk Factors" on pages 15 and 32 of this Placement Document, respectively.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information. Unless otherwise indicated, financial, operational, industry and other related information included herein with respect to any particular year refers to such information for the relevant calendar year.

Overview

We are an integrated sugar and other allied products manufacturing company operating from Belgaum District in the State of Karnataka which is designated as one of the "High Recovery Zones" for sugar production by Government of India. We operate a single location sugar unit having licensed crushing capacity of 11,000 TCD. In addition to sugar, we also manufacture other allied products like Rectified Spirits, Extra-Neutral Spirits, Vinegar, Compost, Carbon dioxide (CO₂), etc. and are further engaged in the generation of Power for captive consumption as well as external sale. Our business can hence be broken up into four main segments namely Sugar, Co-Generation, Distillery, and Vinegar.

In the year 2001, we commenced operations of manufacture of Distillery products such as Ethanol, Rectified Spirit and Extra Neutral Spirit. In the year 2006, our Company implemented backward integration and began commercial operations for Sugar manufacture from sugarcane, along with Co-Generation capabilities. Currently our integrated unit processes sugarcanes to produce sugar and the by-products are used to generate electricity for captive use and commercial sale, manufacture rectified spirit, ENA, Vinegar, Press-mud and Compost. Over the years, we have expanded the production / manufacturing capacities of all our products.

During the production of sugar; bagasse and molasses are produced which are the basic raw materials for power generation and Distillery (Spirit) manufacturing unit, respectively. The sugar unit of our integrated production facility first crushes sugarcane to extract juice and processes the juice to produce sugar. The sugar manufactured is then graded and packed based on the size of crystals and quality of the sugarcane. During the last fiscal year, we produced 85,720 tonnes of sugar. After extracting the juice from sugarcane, the residual fibre leftover called Bagasse is used as a fuel for power generation. The molasses used in the process of sugar production is fermented and distilled to manufacture various spirits (Rectified Spirit and Ethanol) in the distillery unit of our integrated production and manufacturing facility.

Bagasse is the fibrous residual matter used as a bio-fuel to generate steam in high pressure boilers for turning turbines to generate electricity. We obtain enough Bagasse during the crushing seasons, such that the electricity produced is used not just for captive consumption, but also for sale. It is possible that during the year we may produce surplus energy and supply the surplus energy to other Companies /Industries based on demand.

Molasses is the viscous product resultant of refining sugarcane juice. Molasses, which forms the primary raw material for the distillery unit, is fermented, distilled and made to undergo various processes for making rectified spirit and extra neutral spirit. Rectified Spirit is processed to manufacture Industrial Vinegar. During the last financial year, we manufactured, 13,236.60 KL of Industrial Vinegar, 5.73 KL of Rectified Spirit and 29440.10 KL of Ethanol.

Further the waste water extracted from Distillery unit is called as spent wash which is further mixed with mud to form Compost / Organic Manure, which is supplied back to farmers for cultivation of their fields which ensures higher yields. Further the company has set up a CO₂ plant as well. Thus, we believe that nothing is wasted, as every single output whether residue or by-product is utilised.

Our revenues from operations for quarter ended June 30, 2024, Fiscals 2024, 2023 and 2022 were ₹ 10,12,543 Lakhs, ₹ 54,970.30 Lakhs, ₹ 61,649.49 Lakhs and ₹ 46,875.10 Lakhs, respectively.

Our EBITDA for quarter ended June 30, 2024, Fiscals 2024, 2023 and 2022 were ₹ (594.81) Lakhs, ₹ 6868.51 Lakhs, ₹ 6906.05 Lakhs and ₹ 9497.19 Lakhs respectively. Our profit after tax for quarter ended June 30, 2024, for Fiscals 2024, 2023 and 2022 were ₹ (1728.77) Lakhs ₹ 1449.78 Lakhs, ₹ (2344.58) Lakhs and ₹ 6016.04 Lakhs, respectively.

Our Business Strategy

Increasing operational efficiency

Our product portfolio consists of sugar and various other products manufactured by processing its residual products. Hence operational efficiency for each product is related to its previous product's efficiency and quality. We continue to invest in increasing our operational efficiency throughout the organisation. We are addressing the increase in operational output through continuous process improvement, increasing recovery rate through timely sugarcane crushing, technology development throughout the products, consistent quality and customer service. We also strive to achieve alignment of our people towards 'process improvement' through change management and upgrading of skills for latest technology and as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees.

Explore possibilities of geographical expansion

Our Company is currently situated in the area of Bellad Bagewadi and our Company intends to propose to explore other geographical locations within the Belgaum District. Our Company, with intent of exploring new location with significant sugarcane cultivation area and abundant sugarcane growth has acquired a land of approximately 9 acres and 12 Gunthas by way of 'Full Paid Power of Attorney'. For details of the land purchased, please see the chapter titled "Properties – Our Business" on page no.77 of this Placement Document. However, our Company is still at planning stage and has neither finalised any specific utilisation for the said land nor any plans have been put forth regarding the funding, capacity, products and other details.

Augment our fund based capacities in order to scale up business operations

The sugar industry is characterised by high debtors and advance payments to farmers and harvesting & transportation agents. Our customers, mainly being entities in the food, petroleum, beverages, and also government agencies, we generally offer substantial credit period to them. Further, during the crushing season, we have to make advance payments for various minor raw materials, utilities and other services so as to carry out the un-interrupted crushing. Thus, our operations are working capital intensive.

It is hence our strategy to raise funds from this issue and augment our fund based working capital capabilities. We believe that companies with high liquidity on their balance sheet would be able to better negotiate with sugarcane suppliers. With the de - regulation of the sugar industry, farmers are free to sell their produce where they like and are not obligated to sell any portion of the same to us. Better liquidity will also provide us with sufficient incentives to ensure the farmers prefer us for selling their sugarcane produce in each season. Also, we invest a portion of our working capital to provide some of our farmers with high quality seeds for better crop quality. Additional working capital will enable us to offer such high-quality seeds on larger quantities and to a large farmer base. Funding this working capital requirement from the proceeds of the Fresh Issue will also enable us to save a considerable interest cost due to lower working capital borrowings. For further details regarding the working capital being raised through this Offer, please refer to chapter titled "Objects of the Issue" on page 46 of this Placement Document.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the chapter titled 'Risk Factors' on page 32 of this Placement Document. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- a) Any adverse changes in central or state government policies;
- b) Flood or drought adversely affecting the supply and pricing of the sugarcane;
- c) Any adverse development that may affect our operations in Maharashtra;
- d) Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- e) Loss of one or more of our key customers and/or suppliers;
- f) An increase in the productivity and overall efficiency of our competitors;
- g) Our ability to maintain and enhance our brand image;
- h) General economic and business conditions in the markets in which we operate and in the local, regional and national economies;

- i) Changes in technology and our ability to manage any disruption or failure of our technology systems;
- j) Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- k) The performance of the financial markets in India and globally;
- l) Any adverse outcome in the legal proceedings in which we are involved;
- m) Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- n) Our ability to compete effectively, particularly in new markets and businesses;
- o) Changes in foreign exchange rates or other rates or prices;
- p) Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- q) Other factors beyond our control;
- r) Our ability to manage risks that arise from these factors;
- s) Conflict of interest with Individual Promoter and other related parties;
- t) Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- u) Termination of customer contracts without cause and with little or no notice or penalty; and
- v) Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer chapter titled “*Financial Information*” on page 158 of this Placement Document.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter titled “*Financial Information*” on page 158 of this Placement Document there has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, see chapter titled “*Financial Information*” on page 158 of this Placement Document.

Principal components of our statement of profit and loss account Revenue

The following descriptions set forth information with respect to the key components of the Financial Statements.

Total income

Our revenue comprises of:

Revenue from operations

Revenue from operations: Revenue from operations consists of income from the following segments:

- Sugar Segment
- Power
- Ethanol, Spirit and allied Products (Distillery Segment)
- Vinegar
- Other By-Products

Other Income

Other income includes dividend income, rental income, profits from sale of income, insurance claims and insurance income.

Expenses

Expenses consists of cost of material consumed, changes in inventories, other manufacturing expenses, employee benefit expenses, finance costs, depreciation and other expenses. For details, see chapter titled “Financial Statement” on page 158 of this Placement Document.

Cost of Material Consumed: Cost of raw materials includes purchase of sugarcane, cane cess and tax, harvesting and transport costs, purchase of raw sugar, consumption of power and fuel, purchase of stores, spares and chemicals.

Changes in inventories: Consists of changes in raw materials, work-in-progress and finished products. Raw materials consist of coal, molasses and bagasse. Finished goods consist of sugar, vinegar, and other by-products.

Other manufacturing expenses: Other manufacturing expenses consist of Processing, transportation and other charges and Repairs to Plant and Machinery.

Employee benefit expenses: Employee benefit expenses comprise of salaries and wages paid to employees and workers, bonuses, contribution to provident and other funds, staff welfare expenses and director’s remuneration.

Finance Cost: Finance cost includes interest expenses and other borrowing costs such as commission and charges by banks, loan processing charges, Letter of Credit charges and Bank rating charges.

Depreciation and Amortization expenses: Depreciation and amortization expenses comprises of depreciation on tangible assets and amortization of intangible assets.

Other expenses: Other expenses include rent, advertisement expenses, insurance, travelling expenses, vehicle running and maintenance, printing and stationery, communication expenses, legal, professional and consultancy charges, license fees and other miscellaneous expenses.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

Results of our Operations

The following table sets forth, for the periods indicated, certain items from our financial statements, in each case also stated as a percentage of our total income:

(Rs. in Lakhs)

Particular	2023-24	Percentage of total income (%)	2022-23	Percentage of total income (%)	2021-22	Percentage of total income (%)
INCOME						
Revenue from Operations	54970.3	99.55%	61649.49	99.54%	46875.1	99.68%
Other Income	250.21	0.45%	286.47	0.46%	152.31	0.32%
Total Income (A)	55220.51	100.00%	61935.96	100.00%	47027.41	100.00%
EXPENDITURE						
Cost of raw material consumed	36551.76	66.19%	39386.29	63.59%	39153.56	83.26%
Changes in inventories	2708.57	4.91%	6313.05	10.19%	-7931.42	-16.87%
Other Manufacturing expenses	4867.13	8.81%	4892.71	7.90%	3563.11	7.58%
Excise and Service Tax	0	0.00%	0	0.00%	0	0.00%

Employee benefits expense	2064.88	3.74%	2026.95	3.27%	1834.86	3.90%
Finance costs	3049.61	5.52%	2753.65	4.45%	3227.91	6.86%
Depreciation and amortization expense	1590.54	2.88%	1597.69	2.58%	1551.25	3.30%
Other expenses	2159.65	3.91%	2410.91	3.89%	910.11	1.94%
Total Expenses (B)	52992.15	95.96%	59381.25	95.88%	42309.38	89.97%
Profit before extraordinary items and tax	2228.36	4.04%	2554.71	4.12%	4718.03	10.03%
Prior period items (Net)	0	0.00%	0	0.00%	0	0.00%
Profit before exceptional, extraordinary items and tax (A-B)	2228.36	4.04%	2554.71	4.12%	4718.03	10.03%
Exceptional items	0	0.00%	0	0.00%	0	0.00%
Profit before extraordinary items and tax	2228.36	4.04%	2554.71	4.12%	4718.03	10.03%
Extraordinary items (Share of net profit from joint venture accounted for using equity method)	0	0.00%	0	0.00%	0	0.00%
Profit before tax	2228.36	4.04%	2554.71	4.12%	4718.03	10.03%
Share of net profit from joint venture accounted for using equity method	0	0.00%	0	0.00%	0	0.00%
Profit before tax	2228.36	4.04%	2554.71	4.12%	4718.03	10.03%
Tax expense :						
(i) Current tax	630.08	1.14%	376.93	0.61%	347.44	0.74%
(ii) Deferred tax	0	0.00%	0	0.00%	-211.37	-0.45%
(iii) Earlier Year tax expenses	0	0.00%	-347.44	-0.56%	0	0.00%
(iv) (MAT credit lapsed written off	148.51	0.27%	4869.81	7.86%	-1434.08	-3.05%
Total Tax Expense	778.59	1.41%	4,899.30	7.91%	-1,298.01	-2.76%
Profit for the year (D-E)	1,449.78	2.63%	-2,344.59	-3.79%	6,016.04	12.79%
Other Comprehensive Income						
Items that will not be reclassified to profit or loss	10.86	0.02%	24.59	0.04%	17.84	0.04%
Items that will not be reclassified to profit or loss	-3.68	-0.01%	-3.36	-0.01%	0	0.00%
Items that will be reclassified to profit or loss:	0	0.00%	0	0.00%	0	0.00%
Tax on items that may be reclassified to profit or loss	0	0.00%	0	0.00%	0	0.00%
Tax on items that may be reclassified to profit or loss	0	0.00%	0	0.00%	0	0.00%

Total other comprehensive income/(loss) for the year, net of tax	7.18	0.01%	21.23	0.03%	17.84	0.04%
Total Comprehensive income for the year	1456.96	2.64%	-2323.36	-3.75%	6033.88	12.83%

Comparison of Historical Results of Operations Fiscal 2024 compared to Fiscal 2023.

Total Revenue

Our total revenue for the Fiscal 2024 was ₹ 55220.51 Lacs as compared to ₹ 61935.96 Lacs for the Fiscal 2023, representing a decrease of (10.84) %. Total revenue comprises of:

Revenue from operations

Our revenue from operations for the Fiscal 2024 was ₹ 54970.3 Lacs as compared to ₹ 61649.49 Lacs for the Fiscal 2023, representing a decrease of (10.83) % and such decrease is due to decrease in volume of our sales.

Other income

Other income for the Fiscal 2024 was ₹ 250.21 Lacs as compared to ₹ 286.47 Lacs for the Fiscal 2023, representing a decrease of (12.66)%. The decrease in other income was primarily due to decrease in non-recurring miscellaneous income, Discount, Interest Income etc.

Expenses

Our total expenditure for the Fiscal 2024 was ₹ 52992.15 Lacs as compared to ₹ 59381.25 Lacs for the Fiscal 2023, representing a decrease of (10.76)%.

Cost of Material Consumed

Cost of material consumed had decreased by (7.20)% from ₹ 39386.29 Lakhs in Fiscal 2023 to ₹ 36551.76 Lakhs in Fiscal 2024. This decrease is due to decrease in Minimum Support price and decrease in cultivation of sugarcane, resulting in decrease in cost of material consumed.

Changes in inventories

Changes in Inventories had a variance by (57.10)% from ₹ 6313.05 Lakhs in Fiscal 2023 to ₹ 2708.57 Lakhs in the Fiscal 2024.

Other Manufacturing Expenses

Other Manufacturing Expenses have decreased by (0.52)% from ₹ 4892.71 Lakhs in Fiscal 2023 to ₹ 4867.13 Lakhs in the Fiscal 2024, primarily on account of decrease in processing & transportation charges.

Employee benefit expenses

Employee benefit expense for the Fiscal 2024 was ₹ 2064.88 Lakhs as compared to ₹ 2026.95 Lakhs for the Fiscal 2023, representing an increase of 1.87%. This was due to increase in salaries, wages and bonus.

Finance cost

Finance cost for the Fiscal 2024 was ₹ 3049.61 Lakhs as compared to ₹ 2753.65 Lakhs for the Fiscal 2023, representing an increase of 10.75%. The increase in Finance Cost was majorly due to increase in Borrowings.

Depreciation and Amortisation Expense

Depreciation and amortization expense for the Fiscal 2024 was ₹ 1590.54 Lakhs as compared to ₹ 1597.69 Lacs for the Fiscal 2023, representing a decrease of (0.45)%. The decrease in depreciation was majorly due to decrease in value of tangible assets.

Other expenses

Other expenses for the Fiscal 2024 were ₹ 2,159.65 lacs as compared to ₹ 2,410.91 lacs for the Fiscal 2023, representing a decrease of (10.42%). The decrease was mainly due to decrease in various expenses.

Profit/Loss before Tax

The profit/(loss) before tax for the Fiscal 2024 of ₹ 2,228.36 lacs as compared to ₹ 2,554.71 lacs for the Fiscal 2023. The decrease in profit/loss before tax is due to decrease in business activities.

Taxation

Total tax expense for the Fiscal 2024 ₹ 778.59 lacs as compared to ₹ 4,899.30 lacs for the Fiscal 2023. The decrease was due to impact of deferred tax.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a profit for the year on a basis for the Fiscal 2024 of ₹ 1,449.78 lacs as compared to loss of ₹ (2,344.59) lacs for the Fiscal 2023, representing an increase of 161.835%. The increase was due to deferred tax.

Fiscal 2023 compared to Fiscal 2022

Total Revenue

Our total revenue for the Fiscal 2023 was ₹ 61,935.96 lacs as compared to ₹ 47,027.41 lacs for the Fiscal 2022, representing an increase of 31.70%. Total revenue comprises of:

Revenue from operations

Our revenue from operations for the Fiscal 2023 was ₹ 61,649.49 lacs as compared to ₹ 46,875.10 lacs for the Fiscal 2022, representing an increase of 31.52%. such increase is due to increase in volume of our sales.

Other income

Other income for the Fiscal 2023 was ₹ 286.47 lacs as compared to ₹ 152.31 lacs for the Fiscal 2022, representing an increase of 88.08%. The increase in other income was primarily due to increase in non-recurring miscellaneous income.

Expenses

Our total expenditure for the Fiscal 2023 was ₹59,381.25 lacs as compared to ₹42,309.38 lacs for the Fiscal 2022, representing an increase of 40.35%.

Cost of Material Consumed

Cost of material consumed had increased by 0.59% from ₹ 39,386.29 lakhs in Fiscal 2023 to ₹39,153.56 lakhs in Fiscal 2022. This increase is due to increase in Minimum Support price and increase in cultivation of sugarcane, resulting in increase in cost of material consumed.

Changes in inventories

Changes in Inventories had a variance by (179.55%) from ₹ 6,313.05 lakhs in Fiscal 2023 to ₹ (7931.42) lakhs in the Fiscal 2022.

Other Manufacturing Expenses

Other Manufacturing Expenses have increase by 37.32% from ₹ 4,892.71 lakhs in Fiscal 2023 to ₹ 3,563.11 lakhs in the Fiscal 2022, primarily on account of increase in processing & transportation charges.

Employee benefit expenses

Employee benefit expense for the Fiscal 2023 was ₹ 2,026.95 lakhs as compared to ₹ 1,834.86 lakhs for the Fiscal 2022, representing an increase of 10.47%. This was due to increase in salaries, wages and bonus.

Finance cost

Finance cost for the Fiscal 2023 was ₹ 2,735.65 lakhs as compared to ₹ 3,227.91 lakhs for the Fiscal 2022, representing a decrease of (14.69%). The decrease in due to decrease in interest outgo on loans of financial institutions and somewhere decrease in rate of interest.

Depreciation and Amortisation Expense

Depreciation and amortization expense for the Fiscal 2023 was ₹1,597.69 lakhs as compared to ₹ 1,551.25 lakhs for the Fiscal 2022, representing an increase of 2.99%. The increase is general in nature.

Other expenses

Other expenses for the Fiscal 2023 were ₹ 2,410.91 lakhs as compared to ₹ 910.11 lakhs for the Fiscal 2022, representing an increase of 164.90%. The decrease was mainly due to increase in various expenses.

Profit/Loss before Tax

The profit/(loss) before tax for the Fiscal 2023 of ₹ 2,554.71 lakhs as compared to ₹ 4,718.03 lakhs for the Fiscal 2022. The decrease in profit/loss before tax is due to expenses.

Taxation

Total tax expense for the Fiscal 2023 ₹ 4,899.30 lakhs as compared to ₹ (1,298.01) lakhs for the Fiscal 2022. The increase was due to deferred tax.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a loss for the year on a basis for the Fiscal 2023 of ₹ (2,344.59) lakhs as compared to a profit of ₹ 6,016.04 lakhs for the Fiscal 2022, representing a decrease of (138.97%). The decrease was due to deferred tax.

CASH FLOWS

The following table sets forth certain information relating to our cash flows:

(Rs. in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net (loss) / profit before tax	2228.36	2554.71	4718.03
Net Cash Flow from/ (used in) Operating Activities (A)	14385.72	5206.51	3521.05
Net Cash Flow Used in Investing Activities (B)	(12468.89)	(1837.58)	(3280.72)
Net Cash Generated from Financing Activities (C)	(2056.40)	(4426.13)	(3810.10)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(139.57)	(1057.21)	(3569.77)
Cash and cash equivalents at the beginning of the year/period	258.84	1316.05	4885.82
Cash and cash equivalents at year/ period end	119.27	258.84	1316.05

Operating Activities

Net cash from operating activities for period ended March 31, 2024 was ₹ 14,385.72 lacs as compared to the PBT of ₹ 2,228.36 lacs for the same period. This difference is primarily on account of interest payment, trade payables, trade receivable and other current assets.

Net cash from operating activities for the period ended March 31, 2023 was ₹ 5,206.51 lacs as compared to the PBT of ₹ 2,554.71 lacs for the same period. This difference is primarily on account of interest payment, trade payables, trade receivable and other current assets.

Net cash from operating activities for period ended March 31, 2022 was ₹ 3,521.05 lacs as compared to the PBT of ₹ 4,718.03 lacs for the same period. This difference is primarily on account of interest payment, trade and other payables, inventories, other current assets and trade and other receivables and working capital.

Investing Activities

Net cash from investing activities for period ended March 31, 2024 was ₹ (12,468.89) lacs. This was on account of purchase of property, plant & equipment (including capital work-in-progress and capital advances).

Net cash from investing activities for period ended March 31, 2023 was ₹ (1837.58) lacs. This was on account of purchase of property, plant & equipment (including capital work-in-progress and capital advances).

Net cash from investing activities for period ended March 31, 2022 was ₹ (3280.72) lacs. This was on account of Purchase of property, plant & equipment (including capital work-in-progress and capital advances).

Financing Activities

Net cash from financing activities for period ended March 31, 2024 was ₹ (2056.40) lacs. This was on account of repayment of borrowings and payment of finance cost.

Net cash from financing activities for year ended March 31, 2023 was ₹ (4426.13) lacs. This was on account of repayment of borrowings and payment of finance cost.

Net cash from financing activities for year ended March 31, 2022 was ₹ (3810.10) lacs This was on account of repayment of borrowings and payment of finance cost.

Contingent Liabilities

The statement of contingent liabilities of our Company as are as mentioned in the table below

Contingent Liabilities and Commitments

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Court Cases	1814.61	1314.07
Bank Guarantee	0.00	105.89
Income Tax (Appeal filed by the company)	531.77	0.00

- *In respect of the above matters, future cash outflows, in respect of contingent liabilities are determinable only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.*

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Market risk is the risk of loss related to adverse changes in the market prices, including interest rate risk, foreign exchange risk, credit risk and inflation risk. We believe that our principal market risks are equity price risk, foreign exchange risk, interest rate risk and credit risk.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as described in the chapter titled “*Risk Factors*” and chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 32 and 55 respectively of this Placement Document, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Placement Document, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income except as mentioned in the chapter titled “*Risk Factors*” on page 32 of this Placement Document.

Except as disclosed in this Placement Document, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the chapter titled “*Risk Factors*” and chapter titled “*Management's Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 32 and 55 respectively of this Placement Document, and elsewhere in this Placement Document, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company’s future costs and revenues will be determined by demand/supply situation and government policies.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths like quality products, brand loyalty and timely supply. Due to which, we are able to stay competitive. For further details, kindly refer the chapter titled “*Our Business*” beginning on page 77 of this Placement Document.

Total Turnover of Each Major Business Segment

We currently operate in one business segment i.e., Sugar Industry.

New Product or Business Segment

Except as disclosed in “*Our Business*” on page 77 of this Placement Document we have not announced and do not expect to announce in the near future any new products or business segments.

Seasonality of Business

Our Company’s business is not seasonal in nature.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Placement Document, particularly in sections “Risk Factors” on page 32 of this Placement Document to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Related Party Transactions

For details, please refer to the discussion in the chapter titled “Financial Information” beginning on page 158 of this Placement Document.

Significant Developments since last balance sheet date

Except as disclosed above and in this Placement Document, including under “Our Business” and “Risk Factors” on pages 77 and 32 respectively of this Placement Document, to our knowledge no circumstances have arisen since March 31, 2024, the date of the last financial information disclosed in this Placement Document which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

INDUSTRY OVERVIEW

The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this Placement Document, including the information in the sections "Risk Factors" and "Selected Financial Information" beginning on pages 32 and 28 respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' beginning on page 32 of this Placement Document.

Global Outlook

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025 will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now at 3.1 percent is at its lowest in decades.

Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability. Chapter 2 explains that changes in mortgage and housing markets over the pre-pandemic decade of low interest rates moderated the near-term impact of policy rate hikes. Chapter 3 focuses on medium-term prospects and shows that the lower predicted growth in output per person stems, notably, from persistent structural frictions preventing capital and labor from moving to productive firms. Chapter 4 further indicates how dimmer prospects for growth in China and other large emerging market economies will weigh on trading partners.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

Global Prospects and Policies

Economic activity was surprisingly resilient through the global disinflation of 2022–23. As global inflation descended from its mid-2022 peak, economic activity grew steadily, defying warnings of stagflation and global recession. However, the pace of expansion is expected to be low by historical standards and the speed of convergence toward higher living-standards for middle- and lower-income countries has slowed, implying persistent global disparities. With inflationary pressures abating more swiftly than expected in many countries, risks to the global outlook are now broadly balanced compared with last year. Monetary policy should ensure that inflation touches down smoothly. A renewed focus on fiscal consolidation is needed to rebuild room for budgetary maneuver and priority investments, and to ensure debt sustainability. Intensifying supply-enhancing reforms are crucial to increase growth towards the higher prep and emic era average and accelerate income convergence. Multilateral cooperation is needed to limit the costs and risks of geoeconomic fragmentation and climate change, speed the transition to green energy, and facilitate debt restructuring.

OVERVIEW OF THE INDIAN ECONOMY

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.



Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

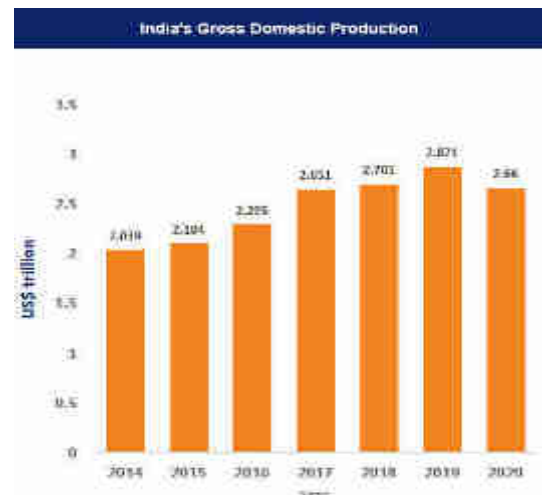
India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

Market Size

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.



Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

Sugar Industry in India

Sugar industry is an important agro-based industry that impacts rural livelihood of about 50 million sugarcane farmers and around 5 lakh workers directly employed in sugar mills. Employment is also generated in various ancillary activities relating to transport, trade servicing of machinery and supply of agriculture inputs. India is the second largest producer of sugar in the world after Brazil and is also the largest consumer. Today Indian sugar industry's annual output is worth approximately 80000 crores. Surplus production over domestic consumption in the last three sugar seasons and low exports due to subdued international sugar prices have led to building up of sugar stocks with the mills and low realization from sale of sugar. This has adversely affected the financial health of the mills and resulted in accumulation of cane price arrears.

India is the second largest producer and the biggest consumer of sugar in the world. It produces around 22-25 million tons of sugar each year. Indian sugar industry is the 2nd largest agro based industry located in the rural India after textile. It has been a focal point for socio-economic development in the rural areas. More than 50 million farmers and their families are dependent on sugarcane for their livelihood, constituting 7.5% of the rural population. Besides, the industry provides employment to about 0.5 million skilled/semi-skilled workers and others mostly from the rural areas. Sugarcane is the only raw material of sugar in India. Sugarcane is grown in tropical and sub-tropical regions. Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh are located in tropical region while Uttar Pradesh, Gujarat, Haryana, Punjab, etc are in sub-tropical region. Sugarcane is considered to be secure source of income for farmers in rural India due to available market (sugar factories and Jaggery units) for their produce and more lucrative returns as compare to any other crop. Therefore, sugarcane cultivation has gained momentum in rural India.

There are close to 500 sugar mills in India which crush close to 300-330 million tons of sugarcane with an average capacity of 3500 TCD. These mills involve in sugar production, distillation, power generation. The industry generates power from begase, ethanol from rectified spirit and alcohol for molasses. Ethanol, an eco-friendly and renewable energy, is blended with petrol. As on date India has not achieved even 5 per cent ethanol blending rate which was instructed by central government in 2007-08 due to delay in issuing tenders by IOCs and other restrictions by state government. On the other hand, Brazil has achieved more than 30 percent ethanol blending rate with the collaboration of automobile industry by using flex-fuel engine. Indian sugar industry has got potential to improve not only the rural infrastructure and livelihood but also reduce the burden of government by contributing to power generation and producing more ethanol and can save considerable amount of foreign exchange which has been escalating rapidly due to ever increasing per capita consumption of petroleum and other energy products.

Presently, Indian sugar industry has been under different policy regulations affecting its performance to achieve higher level production and distribution efficiencies Sugarcane prices are determined by the central and state governments respectively. The sales of main product (sugar) and byproducts (molasses and co-gen) and exports and imports come under the scrutiny of the Government. India was the biggest producer of sugar and sugarcane till 1980s leaving Brazil far behind but during late 90s Brazil had crossed India and became the largest producer of sugar and ethanol. Timely policy reforms and favorable environment created by the Brazil Government had led to the impressive growth in sugar production and exports. The country also has marked its presence in international commodity market by exporting various agro-based commodities. Now India secures position of second largest producer of sugar but could not record much progress in exports fronts owing to rapid domestic consumption growth. But being the largest consumer, it can change the international prices and hence, the market keeps sharp eye on the Indian sugarcane production.

Sugarcane

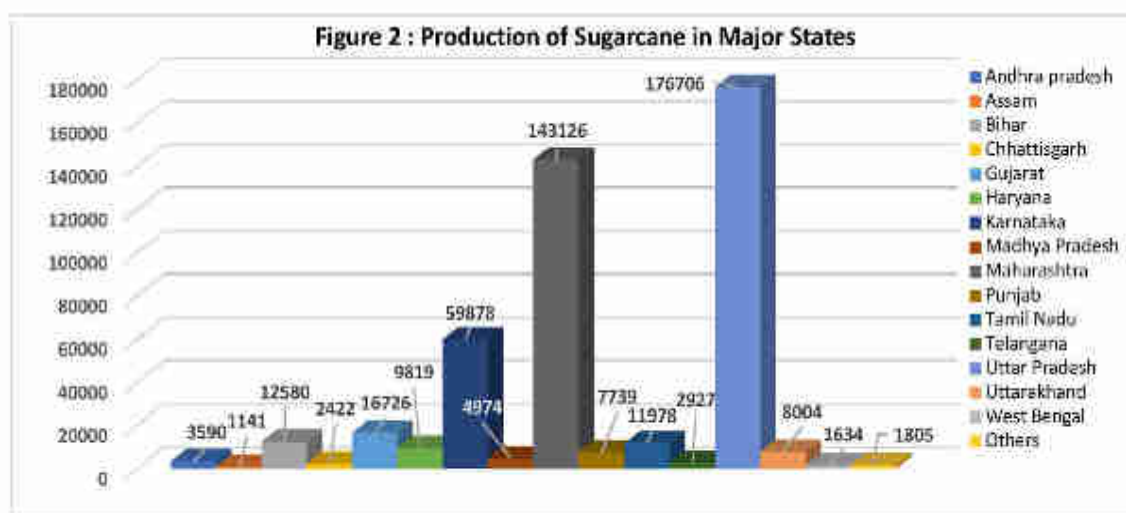
India's sugar industry operates in the organized and unorganized sectors.

- The organized sector comprises sugar factories that process sugarcane into refined sugar and by products like molasses, bagasse, and press mud.
- The unorganized sector includes traditional produce like gur (jaggery) and Khand sari (semi processed sugar).

The Food and Agriculture Organization (FAO) of the United Nations states that 124 countries produce sugar. Around 75 per cent of sugarcane produced in India is used by sugar mills to produce sugar and its by-products. However, if alternative sweeteners, such as, Khand sari and Gur are included in the fold, India would be the most significant overall sugar producer. India produces about 35.5 crore tonnes of sugarcane annually in average terms out of which 3 crore tonnes of sugar as the final product. The cost of production of sugarcane for the sugar season 2023-24 is 157/qlt. This FRP of Rs. 315/qlt at a recovery rate of 10.25 per cent is higher by 100.6 per cent over the production cost. The FRP for sugar season 2023-24 is 3.28 per cent higher than the last sugar season of 2022-23.

Year	Tamil Nadu	Punjab	Maharashtra	UP	Karnataka	All-India yield	India area	FRP (₹)
	Tonnes/ hectare							per quintal
2017-18	99.81	83.58	92.00	79.25	84.08	79.66	4737	255
2018-19	103.00	81.82	77.20	80.81	90.00	80.11	5061	275
2019-20	107.62	80.24	84.28	81.31	89.00	80.49	4603	275
2020-21	102.73	83.82	88.90	81.50	95.00	82.20	4857	285
2021-22	109.24	82.15	92.00	82.30	96.00	84.91	5590	290
2022-23	104.78	84.69	91.20	82.31	90.82	84.01	5900	305

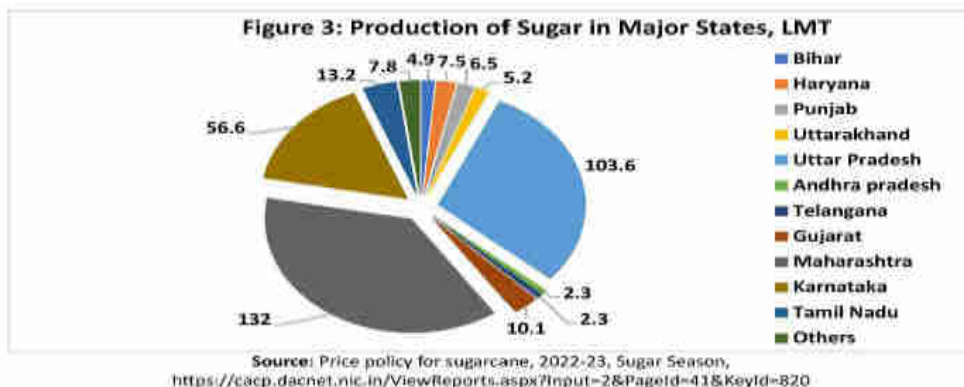
Source: E&S, DAC, New Delhi, 3rd Adv. Est.-2022-23



Source: Price policy for sugarcane, 2022-23, Sugar Season, <https://cacp.dacnet.nic.in/ViewReports.aspx?Input=2&PageId=41&KeyId=820>

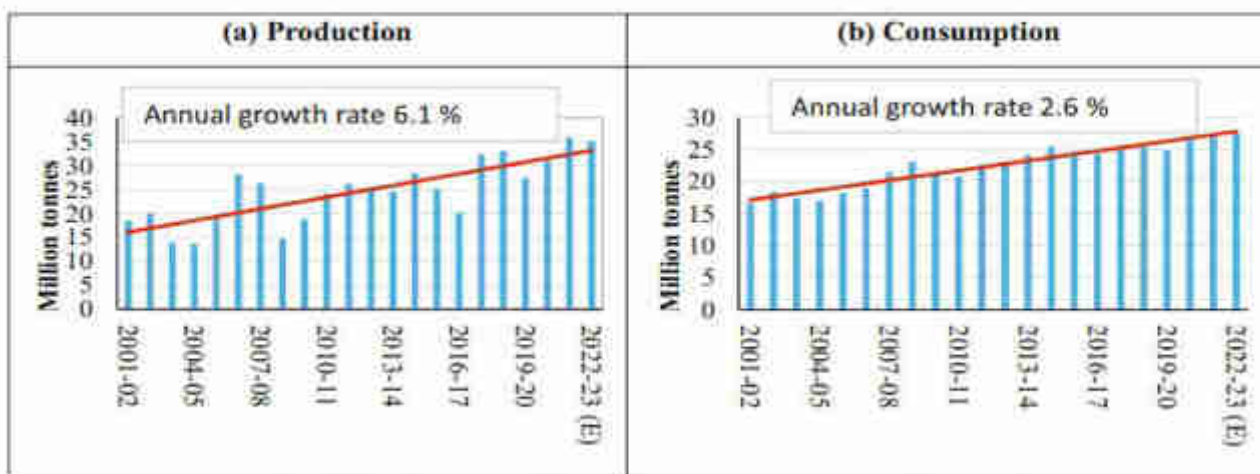
Sugar

Historically, Uttar Pradesh surpassed Maharashtra in 2016-17 to become the largest producer of sugar in the country. In 2019-20, Uttar Pradesh accounted for 39.6 per cent of the total national production of sugar and the rise in the national share by Uttar Pradesh has been driven by a significant improvement in sugar recovery in the state. In the last two decades, Tamil Nadu's share in national production of sugar has witnessed a sharp fall. The production of sugar in major producing States in 2022-23 is given in figure below.



According to the first estimate drawn by Indian Sugar Mills Association (ISMA), Indian sugar yield was pegged at 36.5 million tonnes (MT) during sugar season 2022-23, after considering sugar sacrifice of 4.5 MT, taking the gross sugar production to nearly 41 MT. However, this estimate further reduced to 34 MT of sugar with a sugar sacrifice level at 4.5 MT, owing to the declining yield and recovery from the states of Maharashtra and Karnataka. In the current sugar season 2022-23, about 3,353 lakh tons of sugarcane worth = 1,11,366 crore was purchased by the sugar mills. In 2022-23, sugar production was estimated to be marginally lower at 35.2 MT due to an increase in diversion of sugar for ethanol production.

Figure 2: Production and Consumption of Sugar in India 2001-02 to 2022-23



It was expected that sugar output could fall by 3.3 per cent to 31.7 million metric tons (MMT) in the new season starting from October 1 as low rainfall hit cane yields in the western state of Maharashtra and Karnataka in southern India, which together account for more than half of total Indian output. Recently, sugar stocks rose because of production worries in the wake of a bad monsoon in the producing regions. The monsoon was harsh for Maharashtra, one of India's top producing states, which saw the driest August in more than a century. In contrast to the 23.5 LMT (Lakh Metric Tonnes) monthly sugar quota that was made available for domestic sale in October 2022, the Food Ministry had allotted sugar mills a 25 LMT monthly sugar quota for September 2023. Maharashtra accounts for about one-third of the country's sugar production and mills in the state produced 10.5 MT in the 2022-23 season.

The local prices may not rise much as sufficient stocks are available for domestic consumption, which rose only marginally over the past few years. This decline in India's sugar production in the marketing year starting October may cut exports of the commodity by half.

Number of Sugar Factories in India

States	Number of Sugar mills	Number of Operational mills	Installed Production Capacity (Lakh Tonnes)	Capacity Utilization (%)	Recovery Rate (%)
Maharashtra	257.00	200.00	94.65	144.74	11.20
Uttar Pradesh	158.00	120.00	153.24	66.56	11.46
Karnataka	88.00	72.00	63.35	97.24	10.91
Tamil Nadu	46.00	30.00	24.57	49.25	9.26
Andhra Pradesh	33.00	5.00	18.92	10.84	9.38
Gujarat	29.00	15.00	14.53	83.28	10.60
Bihar	28.00	9.00	12.66	36.02	11.39
Punjab	24.00	16.00	12.93	46.09	9.71
Haryana	16.00	14.00	9.38	76.23	9.85
Uttarakhand	10.00	8.00	8.21	55.18	10.38
Others	68.00	33.00	19.07	52.18	-
All India	757.00	522.00	431.51	83.20	11.00

Given that a high sugar recovery rate is directly correlated with the profitability of sugar mills, ongoing endeavors should be directed towards educating and convincing farmers to embrace high-yielding varieties with greater quantities of sugar. Further, capacity utilization should be optimized, and sugar mills should be modernized. Uttar Pradesh exhibited the greatest average sugar recovery rate (11.5 per cent), with Bihar and Maharashtra following suit (11.4 and 11.2 per cent, respectively). Additional states with sugar recovery rates exceeding 10 per cent included Gujarat, Uttarakhand, and Karnataka. Tamil Nadu (9.3 per cent) and Andhra Pradesh (9.4 per cent) exhibited the lowest sugar recovery rates documented.

Ethanol

In an attempt to find an enduring solution to address the problem of excess sugar, the Government is encouraging sugar mills to divert excess sugarcane to ethanol. The Government has fixed a target of 10 per cent blending of fuel grade ethanol with petrol by 2022 and 20 per cent blending by 2025. The target of 10 per cent was achieved successfully during ethanol supply year (ESY) 2021-22. Till 2013, ethanol distillation capacity of molasses-based distilleries was only 215 cr liters. However, in the past 10 years due to the policy changes made by the Government, distillery capacity rose presently to about 347 cr liters. Thus, the overall capacity of ethanol production reached 1070 cr liters. Till 2013, the supply of ethanol to OMCs was only 38 crore liters with blending levels of only 1.53 per cent in ESY 2013-14. The production of fuel grade ethanol and its supply to OMCs increased by more than 11 times from 2013-14 to 2021-22 and historically high figure of 408 cr liters of ethanol was supplied in ESY 2021-22. In ESY 2021-22, a historically high figure of about 433.6 crore liters of ethanol was blended thereby achieving 10.02 per cent blending, which was higher than the set target of 10 per cent for ESY 2021-22.

India is not short of production when looked at from the point of view of consumption because normally we produce 37-40 MT, of which 4-4.5 MT is diverted for ethanol. The nation is left with 32-33 MT, and consumption is estimated at 27.5-28 MT. Ethanol blending with petrol (EBP) had reached 11.76 per cent as of 31 August as against the target of 12 per cent for the entire 2022-23 (December-October) ESY. For the next sugar season, the diversion of production of sugar for ethanol will depend on the government prices.

Trade

As per the monitoring dashboard of the Ministry of Commerce and Industry, Government of India, the sugar industry exports for FY 2022-23 (April — March) stood at US\$ 5771 million with 25.38 per cent Year-on-Year (YoY) growth and the imports at US\$ 293 million with 73.15 per cent YoY growth registering a positive trade balance of US\$ 5478 million (see table below).

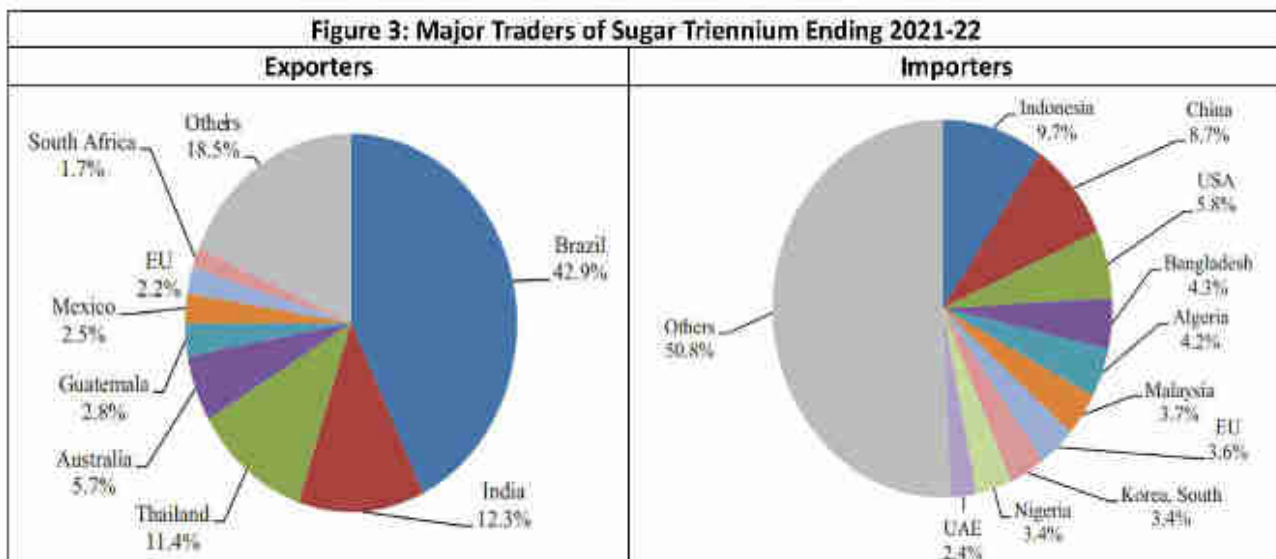
Financial Year	Month/Year	Current Year: Value	Previous Year: Value	Monthly YoY Growth	Cumulative YoY Growth
2022-23	April	680	489	39.00 %	39.00 %
	May	709	341	107.83 %	67.26 %
	June	500	297	68.21 %	67.51 %
	July	255	210	21.60 %	60.31 %
	August	268	228	17.32 %	54.04 %
	September	225	255	-11.85 %	44.79 %
	October	237	208	13.58 %	41.59 %
	November	339	240	41.08 %	41.54 %
	December	782	512	52.79 %	43.61 %
	January	697	789	-11.77 %	31.36 %
	February	590	579	1.93 %	27.26 %
	March	491	454	8.20 %	25.38 %
2023-24	April	331	680	-51.35 %	-51.35 %
	May	246	709	-65.35 %	-58.49 %
	June	135	500	-72.97 %	-62.32 %
	July	162	255	-36.36 %	-59.23 %

Source: <https://dashboard.commerce.gov.in/commercedashboard.aspx>

Financial Year	Month/Year	Current Year: Value	Previous Year: Value	Monthly YoY Growth	Cumulative YoY Growth
2022-23	April	1	85	-98.40 %	-98.40 %
	May	1	11	-90.51 %	-97.47 %
	June	1	2	-13.48 %	-96.13 %
	July	1	1	-53.02 %	-95.58 %
	August	41	2	2069.20 %	-55.01 %
	September	92	23	297.09 %	10.76 %
	October	37	3	1387.34 %	38.18 %
	November	1	2	-47.77 %	36.51 %
	December	38	2	1525.45 %	63.15 %
	January	39	1	4710.23 %	91.72 %
	February	1	1	-28.36 %	90.80 %
	March	39	36	8.31 %	73.15 %
	2023-24	April	1	1	-48.02 %
May		121	1	11177.30 %	4919.41 %
June		107	1	7833.93 %	5962.43 %
July		180	1	30425.85 %	9261.39 %

Source: <https://dashboard.commerce.gov.in/commercedashboard.aspx>

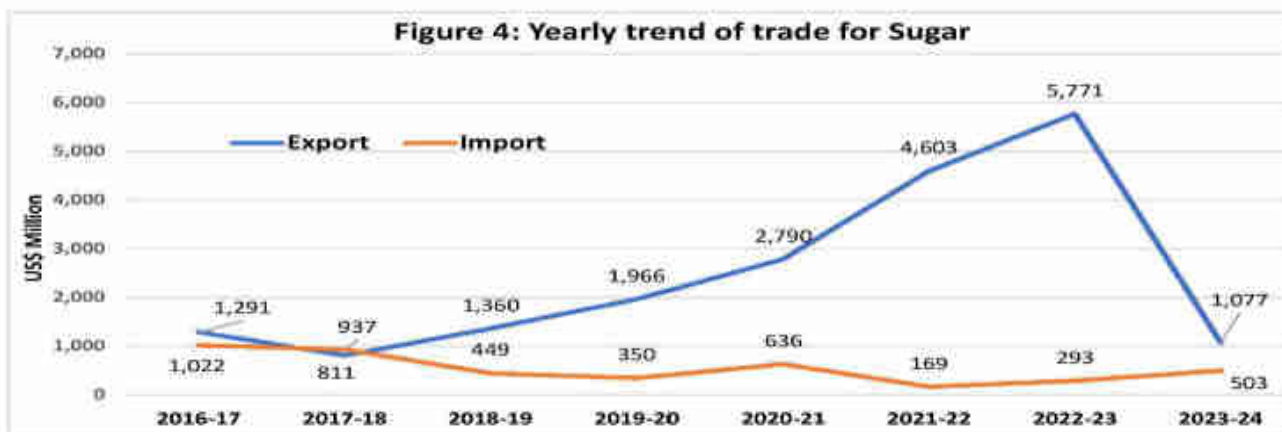
As per the monitoring dashboard of the Ministry of Commerce and Industry, the Government of India, the sugar industry exports for FY 2023-24 (April — July) stood at US\$ 874 million with -59.23 per cent Year-on-Year (YoY) growth and the imports at US\$ 409 million with 9261.39 per cent YoY growth registering a positive trade balance of US\$ 465 million (See table below)



Sources: Commission for Agricultural Costs and Prices (CACP 2023-24), Department of Agricultural Cooperation and Farmers Welfare, Ministry of Agricultural and Farmers Welfare. Available at <https://cacp.dacnet.nic.in/KeyBullets.aspx?pid=41>

Additionally, it is important to be aware of the leading exporting and importing countries that determine the supply and demand in the global market. An illustration of the same is presented in the figure above. Brazil contributes over one-third of the global sugar export market. In terms of total exports, India, the second largest producer, comes third, trailing Thailand. Indonesia, China, and the United States collectively account for over one fifth of the total sugar imported and are among the largest importers of sugar.

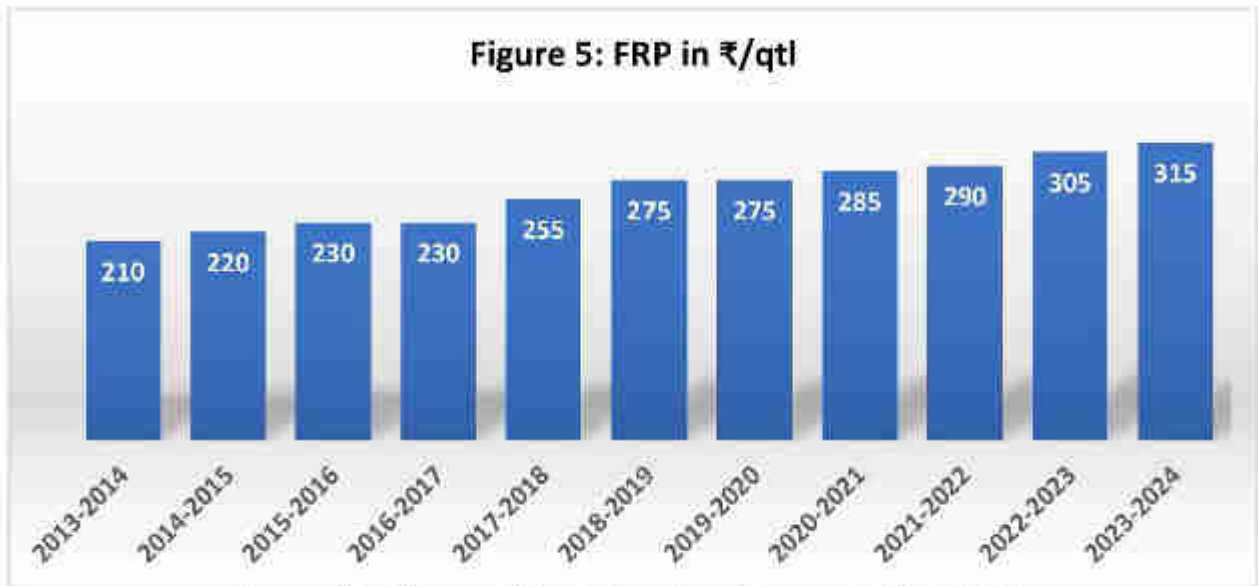
India has been exporting surplus sugar for the last five years (see figure below). However, after curbs in the previous season, the Government could ban sugar exports this season as well as to curb the surge in domestic prices. As per DAM capital, global sugar prices are currently higher at Rs. 47 a kg and 59 a kg, resp., compared to the current domestic prices of Rs. 38 a kg. With sustainable sugar production in UP, higher sugar prices and increasing utilization of new distillery capacity, UP-based sugar companies are expected to witness strong earnings growth during the next two years.



Government Initiatives

Fair and Remunerative Price (FRP)

The Central Government fixed a Fair and Remunerative Price (FRP) of sugarcane, considering the factors mentioned in Clause 3(1) of the sugarcane (Control) order, 1966. Keeping in view interest of sugarcane farmers (Ganna-Kisan), the Cabinet Committee on Economic Affairs chaired by the Prime Minister Shri Narendra Modi has approved FRP of sugarcane for sugar season 2023-24 (October- September) at Rs. 315/qlt for a basic recovery rate of 10.2 per cent, with more than 100 per cent margin over paid-out cost + imputed value of family labour (A2+FL cost). It has also been approved to provide a premium of Rs. 3.07/qlt for each 0.1 per cent increase in recovery over and above 10.25 per cent, and reduction in FRP by Rs. 3.07/qlt for every 0.1 per cent decrease in recovery.



Source: <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1935899>

Ethanol Prices

The Ministry of Petroleum and Natural Gas has increased procurement prices for ethanol derived from sugarcane derivatives under the EBP program for ESY 2022/23 (December-November).

Feedstock	ESY 2021/22	ESY 2022/23
Sugarcane Juice/Sugar Syrup/Sugar	63.45	65.61
B-Heavy Molasses	59.08	60.73
C-Heavy Molasses	46.66	49.41
Damaged Food Grains/Maize	51.55	55.54
Surplus Rice (from Food Corporation of India)	56.87	58.50

Source: MoPNG.

Budget Allocation for Sugar

Allocation	2021/2022	2022/2023		2023/2024	% change
	Realized Outlays	Initial Budget	Revised Budget	Budget	
Scheme for creation and maintenance of buffer sugar stocks	96.04	0	3	0	(100)
Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity	160	300	259.8	400	54
Scheme for aiding sugar mills for expenses on marketing costs including handling, upgrading and other processing costs, etc.	3477.6	0	20.5	0	(100)
Schemes for development of sugar industries	143.1	84.81	77.7	10	87.2
Scheme for assistance to sugar mills for 2018- 19 season	122.18	0	1.5	0	(100)
Scheme for assistance to sugar mills for 2019- 20 season	2120.9	0	14.5	0	(100)
Scheme for defraying expenditure towards internal transport, freight, handling, and other export fees	3.1	0	20.5	0	(100)

Source: Department of Food and Public Distribution.

Note: Per cent change depicted for 2023/2024 with initial budget estimate over 2022/2023 revised budget estimate. One crore equals ten million.

Centre tightens the reins for the sugar traders.

May it be sugar traders, wholesalers or processors, the Government is putting in export curbs for the past two years and in September 2023, it tamed the domestic prices again, the reason being the dry monsoon in the month of August 2023. Hence, the production seemed lower than expected. The Government has asked the traders to send in a detailed report on the Government mandated portal. Global sugar players are monitoring India's production in 2023-24. An early quota of 1.3 MT was released for October. These restrictions are extended even further, as the world's second largest producer tried to bring down domestic prices by increasing supplies. These restrictions will affect the benchmarks in New York and London, where the prices are already extremely high, triggering global inflation in food prices. For market year 2023-2024, post estimates India's sugar exports are expected to reach 7 MMT, accounting for high domestic demand and the likelihood that the Indian Government maintains export caps to control inflation. To manage trade, the Ministry of Commerce and Industry has retained sugar under its restricted category for MY 2022-2023.

Due to the expectation that El Nino would persist through 2023-24, which could intensify dry conditions during the following sugar season, sugar output is predicted to fall to 30 MT in the 2023-24 sugar season, compared to the domestic demand of 27.5—28 mt. This could cause sugar production to drop even further in the 2024-2025 season.

Globally, sugar production is in deficit for the sugar season 2023-24. This is majorly because Thailand has been hit by its worst drought season. Brazil is still in the same boat with its production in doubt due to its Biofuel policy.

National Biofuel Policy and Ethanol Blended Petrol Program

The Indian Government set targets for the national average ethanol blend rates in gasoline of 10 per cent (E-10) and 20 per cent (E-20) by 2022 and 2025, respectively, under the National Biofuel Policy 2018. The program's objective is to boost the production of ethanol from sugarcane, broken grains, and another feedstock. To achieve this target, the Indian Government is encouraging sugar mills and distilleries to divert surplus sugar derivatives to produce ethanol under the EBP. India achieved its E-10 target, briefly reaching a national blending average of 10.1 per cent in June 2022, and additional projects are in place to reach E-20.

Antyodaya Anna Yojana program

The Indian Government has reviewed the existing sugar under Sugar Subsidy Scheme for distribution of sugar through Antyodaya Anna Yojana program (uplifting the poorest food plan) at Rs. 18.50/kg (US\$ 0.24/kg), providing a kilo of sugar per family per month. Further, states and union territories are permitted to add on any extra expenses related to shipping and handling fees directly to the beneficiary to incur directly to the retail issue price of Rs. 13.50/kg (US\$ 0.16/kg).

Cane Arrears

Minimum Selling Price (MSP) of sugar was fixed to prevent fall in ex-mill prices of sugar & accumulation of canearrears (initially at Rs. 29/ kg w.e.f 07-06-2018; revised to Rs. 31/kg w.e.f. 14-02-2019). According to the Department of Food and Public Distribution, India's cumulative arrears (debt) as of March 15, 2023, stood at US\$ 2.1 billion (Rs. 171.1 billion), 190 per cent higher than the debt burden of US\$ 726.3 million (Rs. 59.1 billion), observed on September 30, 2022. Cane arrears differ by state, the number of functional mills, and the average sugar recovery rate. As of February 2023, Uttar Pradesh cane arrears stood at US\$ 1.2 billion (Rs. 91.5 billion), a figure which included outstanding debts from the previous market year.

Financial assistance of more than Rs. 18,000 crores extended to mills resulting in clearance of farmers' dues for 7 years i.e., sugar season 2014-15 to 2020-21. The diversion of surplus sugar to ethanol production led to improved financial conditions of sugar mills. As a result, they can clear cane dues early. As a result of these measures, about 99.9 per cent of cane dues up to sugar seasons 2020-21 have been cleared. For the previous sugar season 2021- 22, more than 99.9 per cent cane dues were cleared and in the current Sugar Season 2022-23, about 91.6 per cent cane dues were cleared as on 17.07.2023.

The government policies and regulations have a significant impact on the Indian sugar industry. The government's policies related to sugarcane pricing, subsidies, and export incentives can shape the industry's future. Any changes in these policies can greatly influence the profitability and competitiveness of the sector.

Industry Risk

The Indian sugar industry has had unprecedented success in the past few years due to a multitude of factors. While favorable agricultural output was aided by the weather, the initiative to mix ethanol with gasoline gained significant traction. The long-standing issue of rapidly increasing sugarcane arrears nearly vanished, as exports surged to all-time highs. Despite these welcome developments, the industry continues to face some headwinds.

Pricing Issues

One of the most significant issues in the Indian sugar industry is the pricing of sugarcane, which is the primary raw material for sugar production. Sugar prices in India are cyclical, influenced by factors, such as, production levels, international sugar prices, and government policies. Prices can fluctuate significantly, affecting the profitability of sugar mills. The Government sets a State Advised Price (SAP) for sugarcane, which can sometimes be higher than what the sugar mills can afford to pay. This leads to financial stress for the mills. In addition to SAP, the Government also sets a Fair and Remunerative Price (FRP) for sugarcane. The FRP is generally higher than the SAP and is intended to provide a fair return to sugarcane farmers. However, it can aggravate the financial pressure on sugar mills as the Government sets a FRP for sugarcane, it often leads to conflicts between sugarcane farmers and sugar mills. Farmers argue for higher prices, while mills may find it difficult to pay these prices consistently. The Indian sugar industry is also influenced by international sugar prices. A surplus or deficit in the global market can impact Indian sugar prices and exports.

The Government had fixed MSP of sugar at Rs. 31 per kg in February 2019 and it had remained unchanged since then. However, the FRP of sugarcane had increased from Rs. 2550 per tonne in 2017-18 to Rs. 3050 per tonne for the year 2022-23. ISMA had already urged the Government to increase the MSP of sugar to Rs. 38 per kg from Rs. 31 per kg in line with FRP of cane.

Water Scarcity

Sugarcane is a water-intensive crop, and water scarcity is a significant concern in many parts of India. Excessive water use in sugarcane cultivation can strain local water resources. India's excess sugar production is guzzling groundwater. Normally, 100 kg of sugar is produced from one tonne of sugarcane, which consumes around 2 lakh litres of groundwater for irrigation alone. This issue assumes greater importance because the UNESCO United Nations World Water Development Report of 2023 highlighted global concern over the sharp rise in freshwater withdrawal from streams, lakes, aquifers and human-made reservoirs, impending water stress and also water scarcity. This Report stressed "safeguarding water, food and energy security through sustainable water management, providing water supply and sanitation services to all, supporting human health and livelihoods, mitigating the impacts of climate change and extreme events, and sustaining and restoring ecosystems and the valuable services they provide, are all pieces of a great and complex puzzle. Only through partnerships and cooperation can the pieces come together. And everyone has a role to play. Sustainable Development Goal 6 (SDG 6) is to ensure availability and sustainable management of water and sanitation for all by 2030.

At current rates, progress towards all the targets of SDG 6 is off-track and in some areas the rate of implementation needs to quadruple, or more. The inadequate rate of progress on water and sanitation highlights the need to explore opportunities through partnerships and cooperation. Similarly, the Food and Agriculture Organization of the United Nations (FAO)'s Water Report cogently argued for "guidance on realizing real water savings with crop water productivity interventions", that includes clear and practical guidelines on how to implement 'real' water savings in agriculture through interventions for enhancing crop water productivity".

Given the evolving macro-economic scenario of high-water stress, drought risk, acute water shortages, sectoral and regional competition, and rural-urban transfer of water, some important policy prescriptive suggestions by Gulati, et al, are as follows:

- Implement price policies that reflect the scarcity and economic value of water and power use in agriculture, while improving the quality and timely availability of these to farmers.
- Strengthen marketing opportunity of sugarcane and procurement policies of rice in the water abundant states of eastern region. At the same time, set the markets right (reduce market risk) for the less water intensive crops that give much higher value per cubic meter of irrigation water applied in water scarce states.
- Direct Benefit transfer of water and power subsidies to farmers.
- If price reforms with DBT of water and power subsidies are not possible, ration irrigation water and power used in agriculture on per hectare basis, and then let the water markets operate amongst farmers.
- Adopt irrigation technologies and practices that encourage water savings, such as micro irrigation system in sugarcane and rice.

Ethanol Blending Mandates

While the Indian Government has encouraged EBP to reduce the country's dependence on fossil fuels, this shift can create competition for sugarcane between the sugar and ethanol industries.

Way Forward

Sustainability and environmental concerns are becoming increasingly important globally. In the medium-term, the Indian sugar industry has to focus on sustainable farming practices, waste management, and reducing water usage to meet the demands of environmentally conscious consumers and international markets. The industry's future is inextricably linked to sugarcane farming. Challenges such as water scarcity, climate change, and diseases affecting sugarcane crops can severely dent the industry's growth and productivity. Farmers and sugar mills, therefore, need to find innovative solutions to address these challenges with a sense of urgency.

As consumer preferences shift towards healthier food choices, there may be a growing demand for alternatives to traditional sugar. The Indian sugar industry needs to adapt by exploring low-calorie sweeteners or producing healthier sugar variants for steady growth over the long haul.

(Source <https://www.infomeric.com/publication-detail/sugar-industry-of-india-2023-outlook-and-challenges>)

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section entitled "Forward-Looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements and also the section entitled "*Risk Factors*", "*Selected Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 32, 28 and 55 respectively of this Placement Document, for a discussion of certain risks that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise stated, references in this section to "we", "our" or "us" (including in the context of any financial information) are to our Company.

Overview

We are an integrated sugar and other allied products manufacturing company operating from Belgaum District in the State of Karnataka which is designated as one of the "High Recovery zones" for sugar production by Government of India. We operate a single location sugar unit having licensed crushing capacity of 11,000 TCD. In addition to sugar, we also manufacture other allied products like Rectified Spirits, Extra-Neutral Spirits, Vinegar, Compost, Carbon dioxide (CO₂), etc. and are further engaged in the generation of Power for captive consumption as well as external sale. Our business can hence be broken up into four main segments namely Sugar, Co-Generation, Distillery, and Vinegar.

In the year 2001, we commenced operations of manufacture of Distillery products such as Ethanol, Rectified Spirit and Extra Neutral Spirit. In the year 2006, our Company implemented backward integration and began commercial operations for Sugar manufacture from sugarcane, along with Co-Generation capabilities. Currently our integrated unit processes sugarcane to produce sugar and the by-products are used to generate electricity for captive use and commercial sale, manufacture rectified spirit, ENA, Vinegar, Press-mud and Compost. Over the years, we have expanded the production / manufacturing capacities of all our products. Our present licensed manufacturing capacity for our various products is given below:

Sr. No.	Product	Current Approved Capacity
1.	Sugar	2,42,000 Tons / Year
2.	Bagasse	6,60,000 Tons / Year
3.	Molasses	88,000 Tons / Year
4.	Rectified Spirit/Ethanol	1,20,000 KL / Year
5.	Extra Neutral Alcohol (ENA)	21,000 KL / Year
6.	Electricity / Power	4,96,800 MW / Hr
7.	Brewed Vinegar	10,350 KL / Year

¹⁾ The above licensed capacities are equivalent to a total Sugarcane crushing capacity of 11000 TCD working for approximately 200 days per year (Crushing Season) at an average 12% recovery rate for sugar, 30% for Bagasse and 4% for Molasses and 6.5% in case of B heavy Molasses

Production of sugar, power and distillery products requires our Company to adopt stringent Quality Assurance and Quality Control standards (QA/QC). We have set-up indigenous laboratories for each department which ensure that quality of raw material used in the production process and also the finished goods delivered to our customers is subject to various tests. To access and facilitate compliance with applicable requirements, we regularly review our quality systems to determine their effectiveness and identify areas for improvement. This helps in improving our procurement process thus reducing wastages, returns and other related costs. Our Company has obtained FSSC 22000 Version 5.1 certification, vide Certificate Registration Number 44 295 22393778 the highest in Quality and Safety in sugarcane milling, clarification, juice evaporation, crystallization, centrifugation of massecuite, drying, grading and packaging of sugar in PP bags issued by TUV Nord GmbH issued on October 3, 2022 and valid until October 2, 2025. Our Company has received a certification from Eurofins Assurance India Private Limited on December 23, 2022 with validity upto January 29, 2025 vide certificate reference number F_EI0180_2023 with grade A+ for manufacturing of brewed vinegar from cane spirit by aerobic fermentation and ultrafiltration, packed in bulk into trunks or drums.

During the production of sugar; bagasse and molasses are produced which are the basic raw materials for power generation and Distillery (Spirit) manufacturing unit, respectively. The sugar unit of our integrated production facility first crushes sugarcane to extract juice and processes the juice to produce sugar. The sugar manufactured is then graded

and packed based on the size of crystals and quality of the sugarcane. During the last fiscal year, we produced 85,720 tonnes of sugar. After extracting the juice from sugarcane, the residual fibre leftover called Bagasse is used as a fuel for power generation. The molasses used in the process of sugar production is fermented and distilled to manufacture various spirits (Rectified Spirit and Ethanol) in the distillery unit of our integrated production and manufacturing facility.

Bagasse is the fibrous residual matter used as a bio-fuel to generate steam in high pressure boilers for turning turbines to generate electricity. We obtain enough Bagasse during the crushing seasons, such that the electricity produced is used not just for captive consumption, but also for sale. We sell the co-generated electricity produced at our manufacturing facility under Open Access Arrangement.

Molasses is the viscous product resultant of refining sugarcane juice. Molasses, which forms the primary raw material for the distillery unit, is fermented, distilled and made to undergo various processes for making rectified spirit and extra neutral spirit. Rectified Spirit is processed to manufacture Industrial Vinegar. During the last financial year, we manufactured, 13,236.60 KL of Industrial Vinegar, 5.73 KL of Rectified Spirit and 29440.10 KL of Ethanol.

Further the waste water extracted from Distillery unit is called as spent wash which is further mixed with mud to form Compost / Organic Manure, which is supplied back to farmers for cultivation of their fields which ensures higher yields. Further the company has set up a CO₂ plant also. Thus, we believe that nothing is wasted, as every single output whether residue or by-product is utilised.

Our Competitive Strengths

Experienced Promoters and strong Executive Team

Our Promoters are engaged in the business of distillery and sugar production from sugarcane for more than a decade and have thus established a proven background and rich experience in the sugar and derived product industry. In the year 2001, our Promoters were part of the commencing business of a small distillery unit in Bellad, near Belgaum, Karnataka with a capacity of 35 KLPD. With their business acumen and foresight, our Promoters, in the year 2006, undertook backward integration and started the sugar production unit and also a co-generation unit with a capacity of 2500 TCD and 14 MW respectively. With the continued support of the farming community in the area we were able to expand our sugar unit capacity from 2500 TCD to 5500 TCD in the year 2009. This further led to the enhancement in our power generation capacity from 14 MW to 36.4 MW. Today our Company has an integrated manufacturing unit for products ranging from Sugar to electricity generation, rectified spirit, vinegar to compost, thus utilizing technically the entire waste from sugar production.

Also, our Company and our Promoters are aided by a team of experienced personnel. The team comprises of personnel having technical, operational and business development experience. We believe that our management team's experience and their understanding of the sugar production & derived product manufacturing business will enable us to continue to take advantage of both current and future market opportunities. It is also expected that our management personnel's experience will help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent agents, and fluctuations in sugar and sugarcane prices.

Our team includes senior executives and managers, many of whom are having over 15-20 years' experience in the engineering and sugar industry. We believe our management and executive team has the long-term vision to provide stability and continuity to our businesses.

Wide range of products

The process of production of sugar produces various residual materials and by-products like Bagasse and Molasses. These residual materials are used by us as raw materials for manufacturing further products. The Bagasse, which is a dry residue after the sugar production process is used to generate electricity by burning the same in the Boilers. Molasses is used in the distillery unit to make a range of products like rectified spirit and ENA, and the rectified spirit so produced is used in the production of Industrial Vinegar. Also, surplus Molasses is sold directly to other distillery units. Further, the mud generated in the sugar process is used along with certain distillery unit wastes to produce CO₂, press mud and compost.

The customers of different products cover a wide range of industrial sectors like FMCG, Government agencies, Food industry and Cold Storage industry to name a few. The above wide range of products gives us a large market for each product. We have made sugar sales to various wholesalers, FMCG companies and also to local and state government agencies. The Industrial Vinegar manufactured by us is mainly sold as preservatives and also for certain industrial uses. Further, other by-product like CO₂ is sold as a gas and liquefied CO₂ which has different applications in several industries from medicine, food storage, electronics and agriculture. Once the sugar production is started, we are in a

position to always provide raw materials to the other products in sufficient quantities for captive consumption and also for external sale. For further details, regarding our product portfolio, please refer chapter titled “Our Business” on page 77 of this Placement Document.

Integrated operations and economies of scale

We have integrated operations enabling us to meet the time, cost efficiency, quality and quantity requirements. The residual material and by-products generated from the production process of one product is used as a raw material for manufacturing another product. Thus, our diversified but integrated business model provides most of the necessary raw materials in-house for the various business segment products leading to reduced costs and control over the input material. Our unit has been setup such that the residual materials from one production process are transported to their respective product units either via pipes or conveyor belts or other in-house transport mechanism. This provides us seamless flow of raw material for all our products and also enables us to transport the surplus materials, if, any, for direct sale. This integration allows us not only to save enormous costs and have less dependence on third party for input materials, but also helps us achieve economies of scale by controlling the inputs / production based on each previous process, improving our efficiency and margins.

The main raw material for production of our various segments is sugarcane and our integrated unit processes each component of the sugarcane to manufacture a variety of products relating to the food and beverage industry. Further, with approximately 49 villages from whom we procure our sugarcane produce uninterruptedly till date, we are also able to achieve economies of scale by bulk buying from the farmers.

Strong Technological Capabilities

Our integrated manufacturing unit situated at Bellad-Bagewadi has been installed with various latest machinery and technology. We have installed the Distributed Control System (DCS) at our sugarcane milling and co-generation facilities for precision system management. The DCS is a type of automated control system that is distributed throughout a machine to provide instructions to different parts of the machine. Instead of having a centrally located device controlling all machines each section of a machine has its own computer that controls the operation. DCS is commonly used in manufacturing equipment and utilizes input and output protocols to control the machine. The entire system of controllers is connected by networks for communication and monitoring. The successful installation of the DCS which enables us to achieve reduced cost, reduced environmental effect, higher efficiency and reduced response time, reliability of equipment, ease of maintenance and conservation of energy.

We have also installed the latest machineries for our Distillery and Vinegar units. The machinery used for manufacture of Vinegar has been imported from Germany and we use the latest technology for processing the diluted ethanol into Vinegar.

Strategic location of our manufacturing unit

Sugarcane is the principal raw material used for the production of sugar. Our business depends on the availability of sugarcane and any shortage of sugarcane may adversely affect our results of operations. After de-regulation of the sugar industry, there are no restrictions on the farmers to sell their produce to any particular sugar unit. However, due to our continued relations with the farmers, are regular and advance payments, assistance with high quality seeds and timely aid in harvesting and transportation of the cane, we have ensured continuous supply of sugarcane from a large number of farmers in the nearby villages in our vicinity and other areas. As per the earlier cane area allotted order to our Company by the Sugarcane Commissioner, Bangalore, there were 28 villages in Taluka Hukkeri, 12 villages in Taluka Chikkodi and 9 villages in Taluka Gokak in Belgaum District reserved for the supply of sugarcane to our factory.

Over the period of time, there has been a considerable increase in the acreage of sugarcane cultivation in the nearby villages thus increasing the sugarcane growing areas. To tap this increase, in the F. Y. 2021-22 increased our installed capacity .and we crushed more than 11,00,000 MTs of sugarcane as compared to over 9,00,000 MTs in the year prior to that. Also, having a large sugarcane supply base ensures that, in times of cane shortage, due to its long-standing relationships with farmers, the factory gets a considerable share of the cane available in the vicinity of our factory. Also, a simultaneously large sugarcane crushing capacity also ensures a larger stock of Bagasse for the co-generation of power, as also a substantial increase in the Molasses available for our distillation business.

Besides, our factory unit is located approximately 70 kms from the main city of Belgaum, which has established road and rail connections to various major cities like Bangalore, Chennai, Mumbai, Pune and Goa. The air route from Belgaum is also constantly growing which enables certain urgent transportation possible.

Cordial and strong relationships with sugarcane farmers

We had approximately 49 villages allotted to us under the cane area allotment order by the Sugarcane Commissioner of Bangalore, in the vicinity of our factory unit and have cordial relations with every farmer in the nearby areas. We have maintained good and cordial relations with large sugarcane growing farmer base so as to ensure un-interrupted supply of sugarcane and within the required time period. Besides making timely payments to sugarcane farmers, we provide them with high-quality sugarcane seeds at subsidized rates, thus being an integral part of the cane development process. This not only helps us in ensuring the supply of sugarcane to us but also ensures quality of the sugarcane so that the recovery from these sugarcanes is good. We have entered into agreements for harvesting and transporting of sugarcane produced by the farmers, for no cost to the farmers. The harvesting and transporting groups are paid by our Company and this cane procurement activity ensures the harvested produce is transported to our factory for crushing.

Besides, the raw material procurement, our Company has also established many shops, local hotels and eating places for the convenience of the farmers when they come to our factory unit to sell their produce. These amenities keep the farmers happy and help us build and maintain a good and cordial relationship. Despite the cyclical nature of the sugar industry, we keep strong ties with the desired sugarcane growing farmers. We believe that these relationships are a competitive advantage as farmers have no obligation to sell their produce to us and they are free to sell to any sugar factory. Also, assisting the farmers with seeds, irrigation etc., ensures that the farmers do not switch to other crops that may be more profitable.

Captive Power plant and exportable capacity

Power is an important factor in every manufacturing facility. Considering the integrated nature of our manufacturing unit and its corresponding power requirements, we have installed a power plant with electricity generation capacity of 14 MW and 22.4 MW (from Bagasse / Coal). Our entire electricity requirement during the crushing season is met out of the electricity generated by us in-house. Also, the captive power generation gives us stable and uninterrupted power supply which is very crucial in manufacturing of our products. It further gives us steady and quality supply of steam for our various processes in the sugar, co-generation and distillery units. Uninterrupted power supply helps to avoid any delays in manufacturing process thereby ensuring optimum utilization of our capacities and reducing external electricity costs, especially during the crushing season. With a total co-generation capacity of 36.4 MW, we ideally use approximately 11MW for our captive consumption. The remaining electricity generated is sold to third parties through an open sale.

Further, we have installed various energy saving devices at our production facilities such as planetary gear boxes, variable frequency drives, swing type fibrizor, high efficiency pumps and energy efficient motors which help us reducing the consumption of energy in our crushing operations. We have also installed planetary gear boxes in our boiling house section and have further introduced energy efficient condensers and unforced cooling tower as power saving measures. Similarly, in the co-generation unit, our power consumption has been reduced due to installation of a spray pond instead of forced draught cooling tower. Due to the implementation of the above measures, we have been able to reduce our captive consumption leading to higher availability of exportable power.

OUR STRATEGIES

Our strategic objective is to improve and consolidate our position as a sugar manufacturer with a continuous growth philosophy. The diagram below represents our continuous growth philosophy being implemented on a day-to-day basis.



Our continuous growth philosophy is being driven with the strategic levers of operational excellence, strengthening existing services, customer satisfaction, ecosystem development, innovation and marketing.

Increasing operational efficiency

Our product portfolio consists of sugar and various other products manufactured by processing its residual products. Hence operational efficiency for each product is related to its previous product's efficiency and quality. We continue to invest in increasing our operational efficiency throughout the organization. We are addressing the increase in operational output through continuous process improvement, increasing recovery rate through timely sugarcane crushing, technology development throughout the products, consistent quality and customer service. We also strive to achieve alignment of our people towards 'process improvement' through change management and upgrading of skills for latest technology and as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees.

Explore possibilities of geographical expansion

Our Company is currently situated in the area of Bellad, Bagewadi and our Company intends to propose to explore other geographical locations within the Belgaum District. Our Company, with intent of exploring new location with significant sugarcane cultivation area and abundant sugarcane growth has acquired a land of approximately 9 acres and 12 Gunthas by way of 'Full Paid Power of Attorney'. For details of the land purchased, please see the chapter titled "*Properties – Our Business*" on page 77 of this Draft Letter of offer. However, our Company is still at planning stage and has neither finalized any specific utilisation for the said land nor any plans have been put forth regarding the funding, capacity, products and other details.

Augment our fund-based capacities in order to scale up business operations

The sugar industry is characterized by high debtors and advance payments to farmers and harvesting & transportation agents. Our customers, mainly being entities in the food, petroleum, beverages, and also government agencies, we generally offer substantial credit period to them. Further, during the crushing season, we have to make advance payments for various minor raw materials, utilities and other services so as to carry out the un-interrupted crushing. Thus, our operations are working capital intensive.

It is hence our strategy to raise funds from this issue and augment our fund based working capital capabilities. We believe that companies with high liquidity on their balance sheet would be able to better negotiate with sugarcane suppliers. With the de-regulation of the sugar industry, farmers are free to sell their produce where they like and are not obligated to sell any portion of the same to us. Better liquidity will also provide us with sufficient incentives to ensure the farmers prefer us for selling their sugarcane produce in each season. Also, we invest a portion of our working capital to provide some of our farmers with high quality seeds for better crop quality. Additional working capital will enable us to offer such high-quality seeds on larger quantities and to a large farmer base. Funding this working capital requirement from the proceeds of the Fresh Issue will also enable us to save a considerable interest cost due to lower working capital borrowings. For further details regarding the working capital being raised through this Offer, please refer to chapter titled "*Objects of the Issue*" on page 46 of the Placement Document.

DETAILS OF OUR BUSINESS

LOCATION

We have setup our integrated facility over an area of around 132.85 acres (57,86,946 sq. ft.) which houses our Registered Office, Manufacturing Unit, Packing Unit and Storage Unit. All of these units are located in close proximity to each other within the facility. Our entire premise is located at Bellad Bagewadi, District, Belgaum, Karnataka - 591 305.

For further details of our properties including the above location, please refer to chapter titled "*Our Business*" on page 77 of this Placement Document.

OUR PRODUCTS

Our Company is engaged in the business production of sugar and manufacture of other products including Distillery (Spirits) products, Vinegar, other by-products and also in the co-generation of power.

SUGAR

Our Company is involved in the process of production of sugar, with a total capacity crushing capacity of 8,500 tonnes per day. Sugarcane being a seasonal crop, the sugar manufacturing majorly takes place during the sugarcane period of October to April known as Crushing Season. We use modern technology which enables us to optimally utilize the available resources to ensure maximum crushing capacity and thereby maximize the production of sugar. We have a total licensed sugarcane crushing capacity of 11,000 TCD and installed sugarcane crushing capacity of 8,500 TCD.

The sugar produced by us is differentiated on the basis of the size of the sugar crystals. These types are termed as M, M2, S1, S22 and S30 which are in descending order of the size of the crystals.

Since the de-regularization of Sugar, Our Company has developed a robust marketing and sales team which liaisons with various major brands. We sell our manufactured sugar to various wholesalers, stockists and also to several FMCG companies throughout the country, who use sugar for manufacture of various biscuits, confectionery and beverages.

Plant & Machineries

Our Company uses modern technology which enables us to fully utilize the available resources to ensure maximum crushing capacity and thereby maximizes the production of sugar. We have installed latest machinery including a fully automated milling tandem by installation of Distributed Control System (DCS). We have highly automated sugar production facility with plant & machinery ranging from cane loading / unloading cranes, cane cutting machines, mill tandems, different juice heaters, Air Compressors, sulphitation tanks, evaporators, centrifuges, crystallisers, hoppers and automated carriers, elevators and relay belts for transferring products from one process to another. We confirm that our Company has not acquired any second-hand machinery for this unit.

Raw Materials

Sugarcane

Sugarcane is the only and basic raw material for all our product segments. Our Company purchases all our required sugarcane directly from farmers. Currently, we purchase sugarcane from estimated 25,000 - 30,000 farmers who are majorly within and around the area where our manufacturing unit is situated. These Farmers growing sugarcane are based in approximately 49 villages allotted to us around our production facility. We offer sufficient incentives, infrastructure and assistance in various stages of cultivation, thus ensuring loyalty from these farmers. We also appoint contractors who are responsible for harvesting and transporting the sugarcane from the farms to our factory. Further, our Company has and will continue to maintain good relations with the sugarcane farmers in our vicinity which ensures uninterrupted supply of sugarcane to our factory during the crushing season.

Sugarcane Cultivation

We have undertaken several initiatives to improve sugarcane production in our area, and also on improving cane quality and hence recovery, and at the same time developed good relations with the farming community of the area.

Sugarcane development initiatives undertaken by us include conversion of other crop areas to sugarcane cultivation, field-extension activities, providing quality seeds and agri-inputs to the new farmers in the area. Commercial and Co-operative banks have been associated with us in our effort for such activities. Apart from this we have also been associated in helping farmer groups develop irrigation sources like check dams, percolation tanks, individual/group lift irrigation schemes, sump-wells as well as taking up land development to bring additional acreage under cultivation especially the land which is either barren or unsuitable for growing sugarcane in its present state. We have designated areas for cultivation of high quality sugarcane studs which are distributed to various famers as high quality seeds on a subsidized rate.

Our sugar production is based on the grade of sugarcane procured by us. Different grade / types of sugarcane have different recovery rates. Some of the major grades of sugarcane used by us are given below:

Sr. No.	Sugarcane Grade	Description and Quality
1.	COC 671	The Variety CoC671 is sugar rich, early maturing and high sucrose variety. Also, very vigorous and quick growing and having good filed keeping quality.
2.	CO 8011	It is mid-late to late maturing variety, sparse/late flowering. Also, it is a high fibre variety and good ratooning ability. Low sucrose content variety.

3.	CO 86032	Co 86032 is a medium maturing variety. Grows well in all soil types, has multi – rationing potential, can be grown throughout the year.
4.	CO 94012	This variety has high cane yield. Improved Plant and cane productivity with better juice quality. Moderately tolerant to drought and salinity.
5.	CO 2001-15	It is a mid-late maturing sugarcane variety suitable under normal and drought conditions. The canes are tall and medium thick with light canopy.
6.	CO 740	This is a high yielding variety of sugarcane both in plant and ratoon crops and is suitable for late crushing and adasali planting.

Besides the above many other varieties like CO 92005, CO 92020, CO 98012, CO 9805, COM 0265, CO 434, CO 86038, SNK 7680, CO 419, CO 8011, etc. are used by us, depending on the availability.

Manufacturing Process

We obtain sugarcane from various farmers who are within and around the area where our manufacturing unit is situated. Once the sugarcane is received by us, we weigh them to ascertain the quantity of sugarcane received by us so that the farmers can be paid accordingly.

The sugarcane is fed on to the cane feeder through the loader. The sugarcane undergoes cutting, levelling and fiberising through the conveyor belt thereby preparing the cane for the milling process. We have 5 milling tandem one after the other where the cane is crushed and raw juice to the extent of 95% - 98% is extracted from it at each level.

The leftover after extraction of raw juice is called bagasse. This bagasse is used by the boilers as bio-fuel for steam generation. The steam generated is used for the rotation of turbines which in turn generates electricity, which is used for captive consumption and supplied to clients.

The raw juice so extracted passes through the rotary screen where the raw juice is strained for major particles of bagasse and other impurities. A reagent, Phosphoric Acid, is added to the strained juice which clarifies the final impurities in the strained juice. The juice is then transferred to the Boiling containers and is subjected to various degrees of heating. Once it passes through the initial heating process, milk of lime and Sulphuric Dioxide is added. The juice is heated in various stages and at varying temperatures ranging from 79° C to 99.5° C.

The output from heating the juice is processed into the juice clarifier and clear juice is extracted by heating the clear juice at a very high temperature of 110° C.



The output from the above process is then inserted in the Multiple Effect Evaporation System which results in Syrup like substance and stored in Syrup supply tanks. The Syrup in the Syrup supply tank is then subjected to the process of Crystallizing and Massecurite in various centrifuge machines giving us sugar crystals.

The viscous product which does not result in sugar is called as Molasses. Molasses is subject to the process of Crystallizing and Massecurite and is further processed in the centrifugal machines for production of sugar. This process is repeated until no further processing is possible. The leftover is stored in the storage tank, and used in the distillery segment for manufacture of distillery products.

The crystallized sugar produced is dried, graded and weighed into various categories based on the size of the crystals and is packed in bags of 50 kgs each.

CO-GENERATION

The activity of sugar manufacturing results in the residue Bagasse, which is used as a bio-fuel for boilers to generate steam and for the rotation of turbines which generates electricity. Our co-generation unit has an installed capacity of total 36.4 MW divided into two turbine generators set of 14 MW and 22.4 MW.

Electricity is a unique commodity which cannot be stored and has to be consumed the moment it is generated. The electricity is partly consumed by our other manufacturing units like Sugar, Distillery and Vinegar. Besides the captive consumption, our Company has installed and maintains transmission lines which transmit the surplus electricity generated by us to our clients. However, in times of lower captive electricity consumption, we sell the electricity through open access market.

Plant & Machineries

For generation of electricity, we have installed two (2) boilers, one with a capacity of 70 TPH and the other with a capacity of 80 TPH. Besides, our co-generation unit is equipped with various other state-of-the-art machinery including 2 turbine generation set for 15 MW and 22.4 MW, transformers, alternators, isolators and various boiler and turbine auxiliary machines. We confirm that our Company has not acquired any second-hand machinery for this unit.

Raw Materials

Bagasse

Bagasse is the fibrous residual material that is left after juice has been extracted from sugarcane. The bio-fuel is used for the boilers which generates steam this high-pressure steam is blown through the turbines which and is responsible for rotation of turbines. The rotation of turbines generates electricity. The entire bagasse produced as a result of the cane crushing process, is used for the electricity generation process.

Coal

During off seasons, i.e. May – September, if there is a requirement of production of electricity, we procure coal and use the same as bio fuel by burning the same in the Boilers. During this season no crushing takes place and hence there is no supply of bagasse. In this period to continue to generate electricity, we use coal as fuel in the boilers. Also, during crushing season, in case of shortfall of bagasse due to various reasons, we procure coal to fulfil our captive and electricity requirements. Coal is procured through various local and other domestic traders.

Manufacturing Process

The leftover fibrous material after extraction of raw juice from sugarcane is called Bagasse. The technology adopted in co-generation is the Combined Heat and Power cycle, wherein heat and electrical energy is derived from a common source, in our case Bagasse. Bagasse from the mills is carried into the 2 boilers through an automated conveyor belt carrier and used as fuel in the boilers to generate steam. We have two Boilers having 70 TPH and 80 TPH capacities. The burning of fuel results in steam generation which is injected into turbines where it expands and rotates the turbine at high speed, which in turn rotates the alternator to generate power. This power is used to meet the power requirements to operate the plant and the excess power generated is fed to the grid after upgrading it to 110 KV. The exhaust steam from the turbine, which is at a comparatively low-pressure, is used for boiling in the sugar process.

Also, both our boilers are also equipped to burn coal. This enables us to produce power during off-seasons. Further, the residual steam leaving the turbines still has certain amount of energy, which is utilized in the sugar plant for juice & syrup boiling.

The boilers and turbines of our co-generation plant are equipped with Distributed Control System (DCS). One (1) boiler is installed with Electro Static Precipitator (ESP) and the other boiler has Venturi Wet Scrubber as the air pollution control equipment in order to keep the emissions from the boiler within the prescribed norms of the Pollution Control Board.

DISTILLERY PRODUCTS

Our Company manufactures Distillery products like Rectified Spirit & Ethanol from molasses.

Rectified Spirit is a highly concentrated spirit which has been purified by means of repeated distillation. Currently our distillery unit has an installed capacity of 100 KLPD of Rectified Spirit and 30 KLPD of Neutral Spirit. Ethanol produced after fermentation and distillation of Molasses can be further purified into Fuel Ethanol, by removing the water content. The Government has recently amended the Sugarcane (Control) Order, 1966 vide order S.O. 3663(E)/Ess.Com./Sugarcane dated July 26, 2018 wherein sugar factories have been allowed to manufacture Ethanol from B-Heavy Molasses. Thus, our Company intends to manufacture Ethanol which contains a minimum 99.6% ethyl alcohol that is used for blending with petrol and other fuel products. This ethyl alcohol is extracted from the residue mixture using fractional distillation process.

Fuel Ethanol contains various impurities like Esters, Aldehyde and Ketones which needs to be removed to make the Ethanol potable. Once it is re-distilled, the product obtained is devoid of impurities and is odourless which is called Extra Neutral Spirit / Extra Neutral Alcohol (ENA). Ethanol is also denatured and can be used for industrial use.

Plant & Machineries

We have installed the latest machinery for fermentation, distillation, blending processes required for manufacture of Rectified Spirit, ENA. The major plant and machineries used in our distillery unit includes various types of condensers, separators, Aldehyde column, coolers, boilers & re-boilers, decanters and tanks, rotameters and pumps. We also use 2 small boilers in the distillery unit for 12 TPH and 10 TPH. The effluent treatment machines used post the distillation process includes bio-digester, various pumps, biogas breakers, air compressors, vacuum breakers, vents and tanks. We confirm that our Company has not acquired any second-hand machinery for this unit.

Raw Material

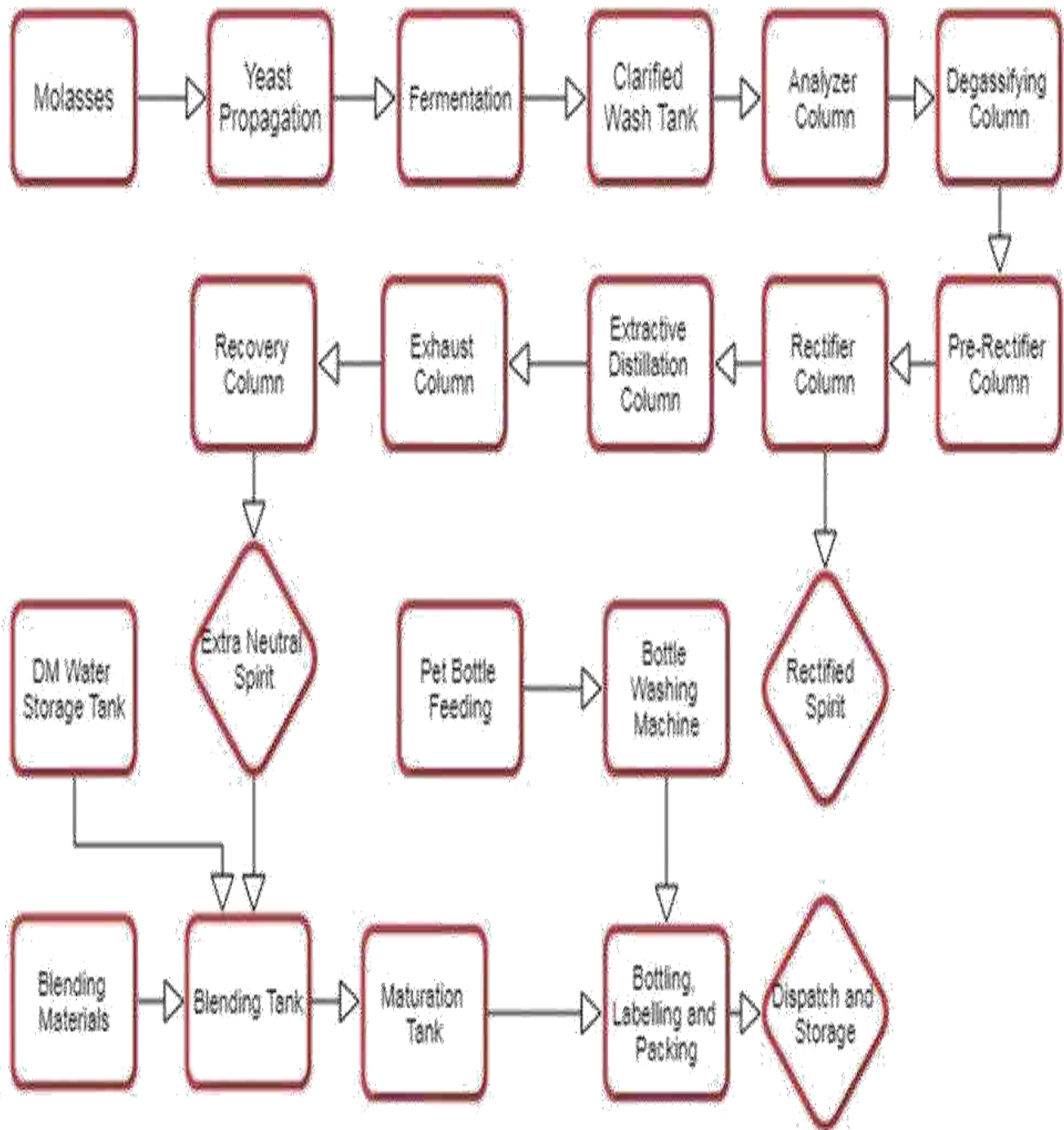
The main raw material for production of Rectified Spirit is Molasses, which is a by-product of sugar production process. Molasses retains some amount of sugar, but this sugar cannot be extracted by usual technology used for sugar production. It is used as an input in distilleries where the sugar present in the molasses is fermented into Ethanol / Rectified Spirit. Our Company produces enough molasses for the manufacture of all distillery related products in our Company. Also, after captive consumption, we sell the surplus molasses, if any, to other distillery units.

Manufacturing Process

The manufacture of Rectified Spirit is a two-stage process—

The required amount of acidified yeast is transferred to the pre-fermentation tank and filled with molasses. This mix is allowed to ferment for 5 to 7 hours and during this period the yeast starts its activity. Air is bubbled for a few minutes. After initial fermentation, the mix is transferred to the main fermentation tank and filled with molasses. Fermentation tanks are filled to three fourth of their capacity; this is to accommodate the increase in volume due to forming during the periods of fermentation. It takes a total of 40 hours to complete the fermentation process. The end result of the process is “fermented wash” and is transferred to the Clarified wash tank.

The alcohol in the pre-heated Fermented Wash is stripped off by ascending the vapours in the Analyser column. The alcoholic vapours are condensed in the Evaporators in the Integrated Evaporation Machine known as the De-Gassing Column. The condensed alcoholic vapours are taken to the pre-rectifier feed tank. Analyser Condensate (alcohol condensate) is concentrated in pre-rectifier column, which operates under atmospheric pressure. Condensing steam provides energy to pre-rectifier column through a vertical boiler. A Technical Alcohol cut, of a substantial percentage of total spirit is taken from the pre-rectifier column. Concentrated alcohol draw from the Pre-Rectifier column is fed to extractive distillation column for purification. This process leads to manufacture of Rectified Spirit. It is then transferred to the Azeotropic Dehydration Column and results in production of Ethanol which is either sold or used for captive consumption for manufacture of Vinegar.



Spent lees and Rectified Spirit are mixed together in the mixing tank and this mixture is taken to the Extractive Distillation column for heating. The top of the Extractive Distillation column is transferred to the exhaust column where the vapours are condensed whereas the bottom of the Extractive Distillation is transferred back to the Rectifier column to enhance the alcoholic content. The condensed liquid from the Exhaust column is transferred to the recovery column from which Extra Neutral Spirit / ENA is recovered.

VINEGAR

We primarily manufacture vinegar which is non-potable in nature and mainly sold either for industrial purposes or for further processing to convert it as a preservative and for domestic consumption purposes. Basic Vinegar, being a mild acid, has large industrial application mainly as a cleaning agent. However, our major Vinegar sales are for use as a preservative while exporting raw vegetables and fruits. We have an installed capacity for manufacture of Vinegar of 75 KL per annum.

Plant & Machineries

The various plant and machinery used in our Vinegar Unit include an acetator, air aspiration system, filtration unit and various types & sizes of tanks & pumps. We confirm that our Company has not acquired any second-hand machinery for this unit.

Raw Materials

The basic raw material required for production of vinegar is diluted ethanol which is further fermented. The Ethanol produced by us in the distillery process is used in the manufacture of Vinegar. For the fermentation process, a special bacterium is used, which oxidizes the sugars or ethanol and produce acetic acid during fermentation. We import the bacteria from Germany only once a year and the same is cultivated for a year by our in-house lab chemists.

Manufacturing Process

The raw materials viz. alcohol, water and imported bacteria (collectively called as “mash”) are mixed into the Charge Tank in the correct proportion. The tank is provided with an agitator through a transfer pump to ensure proper mixing of the raw materials.

The acetator facilitates fermentation of the mash under controlled atmospheric conditions. Since conversion of alcohol into vinegar is basically an oxidation process, oxygen is supplied vide natural air aspirator. The temperature required is maintained by circulating chilled water inside a coil mounted within the acetator. The vinegar obtained from the acetator is cloudy in nature and requires filtration. The cloudy vinegar is received at the discharge tank and then pumped for filtration. The filtration process may not adequately filter the vinegar to the desired levels and is hence re- transferred to the circulation tank where it is goes through the process again and when no further processing is possible, sludge is released in the sludge storage tank. The filtered Vinegar is stored at the filtrate tank and is pumped to the vinegar storage tank.

OTHER BY-PRODUCTS

Besides the above described products, we generate other captive use and / or saleable by-products, mainly from the manufacture of Sugar and Vinegar.

Carbon Di-Oxide

The process of fermentation of Molasses into Ethanol releases Carbon Di-Oxide (CO₂) gas which is in a crude form. This crude CO₂ undergoes a series of processes including pre-chilling, water scrubbing, chiller compressing and is also passed through an activated carbon filter for purification resulting in Liquefied CO₂. Our Company supplies Liquefied CO₂ to various clients who use it for industrial purposes like chilling and cold storage, industrial cleaning, and also some agricultural uses.

We also sell the Crude CO₂ to Excellences Carbonic Pvt. Ltd. with whom we have entered into an Inclusive Agreement for sale of Crude CO₂ and simultaneously providing to them electricity, water and steam for processing the CO₂ into Liquid CO₂.

Press Mud

Press mud is used as manure in sugarcane fields to increase the fertility of the soil and ensure improved yields. Press mud is produced from the residue which comes out from the factory after the filtration of sugarcane juice. The clarification process separates the juice into a clear **juice** that rises to the top and goes for manufacture, and a mud that collects at the bottom. Press Mud is used for manufacture of Compost fertilizers. However, Press Mud is also sold to vendors who use it for various purposes such as manufacture of fertilizers, manufacture of cement etc.

Compost

Compost is an organic manure prepared from waste arising from the factory. The composting process involves an interaction between the organic waste, microorganisms, moisture and oxygen. It mainly involves mixing of two waste materials, one from the Sugar manufacturing process (Press Mud) and one from the Distillery unit (Spent Wash). Spent wash is the unwanted residual liquid waste generated during alcohol production. The Compost is an organic matter that has been decomposed and recycled as a fertilizer and soil amendment and is one of the key ingredients in organic farming.

Boiler Ash

Boiler Ash generated from burning bagasse and / or coal in the Boilers installed in our Co-generation unit. It is sold by our Company to various cement and brick manufacturing companies.

INSTALLED CAPACITY

Below is the Installed and Utilized Capacity for the last three years:

Product	Particulars	for the Financial Year		
		2021-22	2022-23	2023-24
(A) Sugar Unit				
Sugar	Installed Cane Crushing Capacity (TCD)	11,000.00	11,000.00	11,000.00
	No. of days worked	138	138	120
	Average Sugar Capacity (MT / year)	15,18,000.00	15,18,000.00	13,20,000.00
	Total Cane Crushed (MT / year)	11,01,936.28	10,59,379.15	9,57,644.592
	Sugar Production (MT)	92,700.00	89,350.00	85,720.00
	Capacity Utilised (%)	72.59%	69.79%	72.55%
(B) Co-Generation Unit				
Power Generation	Installed Capacity MW	36.40	36.40	36.40
	No. of days worked	196	227	238
	Average Capacity	1,71,225.60	1,98,307.20	2,07,916.80
	Power Generation In MW	91,749.00	1,06,064.10	1,15,387.60
	Utilized Capacity MW	19.50	19.47	20.20
	Utilized Capacity (%)	53.58%	53.48%	55.50%
(C) Distillery Unit				
Rectified Spirits/Ethanol	Installed Capacity (KLPD)	100.00	100.00	100.00
	No. of days worked	290	320	348
	Average Capacity	29,000.00	32,000.00	34,800.00
	Rectified Spirits/Ethanol Production KL	27,439.44	30,431.08	32,118.46
	Utilized Capacity (KLPD)	94.62	95.10	92.29
	Utilized Capacity (%)	94.62%	95.10%	92.29%
(D) Vinegar Unit				
Natural Alcoholic Vinegar	Installed Capacity (KLPD)	75.00	75.00	75.00
	No. of days worked	321	306	341
	Average Capacity	24,075.00	22,950.00	25,575.00
	Natural Alcoholic Vinegar Production KL	13,779.00	9,549.00	13,236.60
	Utilized Capacity (KLPD)	42.93	31.21	38.82
	Utilized Capacity (%)	57.23%	41.61%	51.76%

We have proposed the below Installed capacity and Utilisation for the next three (3) years based on the assumption of normal Sugarcane crop during each year:

Product	Particulars	for the Financial Year		
		2024-25	2025-26	2026-27
(A) Sugar Unit				
Sugar	Installed Cane Crushing Capacity (TCD)	11,000.00	11,000.00	11,000.00
	No. of days worked	120	130	135
	Average Sugar Capacity (MT / year)	13,20,000.00	14,30,000.00	14,85,000.00
	Capacity Utilised (%)	85.00%	90.00%	92.00%
(B) Co-Generation Unit				
Power Generation	Installed Capacity MW	59.20	59.20	59.20
	Utilized Capacity (%)	52.00%	55.00%	60.00%
(C) Distillery Unit⁽¹⁾⁽²⁾				
Rectified Spirits	Installed Capacity (KLPD)	250.00	250.00	250.00
	Utilized Capacity (%)	80.00%	90.00%	95.00%
(E) Vinegar Unit				
Industrial Vinegar	Installed Capacity (KLPD)	75.00	75.00	75.00
	Utilized Capacity (%)	50.00%	55.00%	60.00%

¹ Our Company is in the process of expansion of its distillery capacity and the construction and installation is under process. The Company will be applying for the increased capacity with the relevant authorities upon completion of the construction and installation work.

² Based on the amendment to the Sugarcane (Control) Order, 1966 vide order S.O. 3663(E)/ Ess.Com./Sugarcane dated July 26, 2018, our Company intends to manufacture Ethanol from B-Heavy Molasses and accordingly the installed capacity of Ethanol currently is 30 KLPD and relevant applications will be made for the same upon completion of the construction and installation work of the distillery unit.

Our capacity utilisation is primarily based on sugarcane crushed during each Crushing Season and thus there is substantial fluctuation in the capacity utilisation of majority of our products in case of lower or higher sugarcane availability. Correspondingly, our projected capacities are based on the assumption of normal sugarcane production and thus the projections may be higher than 25% of the actual average production of the last three years.

OUR MAJOR CUSTOMERS & SUPPLIERS

Our Company is primarily engaged in the production of sugar, power generation (electricity), distillery (Rectified Spirit, and Ethanol), Vinegar and other products.

The contribution of the top ten (10) customers to the total turnover of our Company in the last financial years is as given below:

Sl. No.	Particulars	Purchase Amount	Closing Balance as on 31.03.2024
1	Sandeep Traders	2,10,12,95,375.75	13304693.25 Cr
2	Indian Oil Corporation Ltd	84,17,38,739.07	81956493.18 Dr
3	Bharat Petroleum Corporation Ltd	54,08,64,537.22	50015961.95 Dr
4	Hindustan Petroleum Corporation Ltd	45,47,40,838.74	56341793.33 Dr
5	Mysore Mercantile Co Ltd	28,92,53,162.00	292137.00 Dr
6	Sakuma Exports Limited	24,38,08,932.17	222565.81 Cr
7	Bengal Agency	20,11,67,293.00	99145.00 Dr
8	Hescom	18,04,17,409.53	91811181.77 Dr
9	PTC India Limited	12,80,18,153.75	0
10	S B M and Company Ltd	9,96,34,492.00	89917 Dr

¹⁾ We confirm that there is no direct/indirect relationship between the customers forming part of the above top 10 and our Company and our promoters/directors.

The contribution of the top ten (10) suppliers to the total purchases of our Company in the last financial years along with the direct/indirect relationship, if any, between such entities and our Company, and our promoters/directors is as given below:

Sl. No.	Particulars	Purchase Amount	Closing Balance as on 31.03.2024
1	ISGEC Heavy Engineering Limited	49,31,07,942.00	5539365.00 Cr
2	Raj Process Equipments and Systems Pvt Ltd	30,24,63,158.00	10450267.00 Dr
3	Alco Tech Engineering	20,13,98,375.00	165180155.00 Dr
4	Siemens Ltd	15,16,75,900.00	5037.84 Dr
5	Agarwal Coal Corporation Pvt Ltd	10,37,58,774.00	15083536.00 Cr
6	Preetam Petroleum Bellad	7,79,39,463.00	416932.00 Dr
7	Agarwal Steel Corporation	7,24,49,243.00	15147367.00 Cr
8	Laxmi Petroleum Umarani	6,27,98,613.00	1024375.00 Cr
9	Arihant Petroleum Rakshi Cross	5,88,41,252.00	404138.00 Dr
10	Abhijeet Chemicals	3,31,24,940.00	2125262.00 Cr

⁽¹⁾ We confirm that there is no direct/indirect relationship between the suppliers forming part of the above top 10 and our Company and our promoters/directors.

UTILITIES

Power & Fuel

We have set up our own co-generation unit. Even for off-season period (when sugarcane crushing is not there) our Company is self-sufficient in generating the entire power for its need. For a very short period the company meets its power requirement by procuring electricity from the Hubli Electricity Supply Company Limited.

In addition to the said self-generated power and sanctioned power, the company has installed DG Sets as standby arrangement in all its manufacturing units, which is used in case of need / shortage or requirement of additional power. The DG Set gets its fuel requirement from the petrol pump owned by the Company.

Water

Owing to the nature of business of the Company, we need uninterrupted water supply, which is why the integrated facility is strategically located at a place where water is adequately available. The reservoir Dhupdal has been built on the confluence of the rivers Hiranyakeshi and Ghatprabha to facilitate irrigation for various industries. After having obtained the necessary approvals from the Irrigation Department of the Government of Karnataka, our Company has laid water lines for uninterrupted supply of water.

Steam

Steam is used for various processes in the production of sugar, manufacture of distillery products and power generation. We generate our entire steam requirement on a captive basis wherein we use the bagasse (generated during sugar production) and coal (if required) for burning in the boilers installed thus generating steam.

Emission and Effluent Treatment Plant

Our Company has installed various effective treatment plants which broadly cover our segment wise operations with adequate capacities to treat the effluent generated from all units as per the consent granted by the Karnataka State Pollution Control Board (KSPCB). An effluent from the distillery, the spent wash, is mixed with press mud, which is discharged from sugar plant, and is used to make organic compost. Being involved in the business of Sugar and Distillery the company also produces liquid effluents. All liquid effluents are treated in sophisticated effluent treatment plants and the treated water is used for plantations within the plant premises. The ash produced as result of burning bagasse or coal is sold to brick and cement manufacturers.

OTHER RAW MATERIALS

Sulphate

Sulphate is essential for manufacture of sugar. It is the ingredient which is used for the crystallization of syrup obtained from clear juice. We source our requirement of Sulphate from various local vendors and also from vendors in Bangalore.

Lime

Milk of lime is added to the Juice Sulphater for cleaning process. Lime is obtained from local vendors in our vicinity and is sufficiently available as it is a common chemical substance.

Caustic Soda

Caustic Soda is used for cleaning the turbine blades which in turn are used in the power generation activity. Caustic Soda is available from various local vendors as it is a common chemical substance.

Packing Material

The company uses packing material for packing of Sugar and other distillery products. The company generally opens an open tender for procuring the various packing materials and orders are placed in bulk quantities.

QUALITY CONTROL & QUALITY ASSURANCE

We place strong emphasis on product and process quality, which we believe is the critical factor contributing to our success. Being in the business of sugar production, alcoholic spirits manufacture by distillation including ethanol, and generation of power; requires that we adhere and adopt stringent quality control measures. To assess and facilitate compliance with applicable requirements, we regularly review our quality systems to determine their effectiveness and identify areas for improvement. We operate on dedicated Standard Procedures for all of our product segments, which is critical in quality control.

Following quality control measures are currently adopted by our Company in relation to our Sugar production, Distillery products and Co-generation unit:

Sugar Production

Our Company uses various methods to assess the quality of sugarcane being used for production of sugar along with the quality of bagasse and the sugarcane juice extracted from these sugarcanes. We also monitor the juice clarification process and thereafter syrup and massecuite quality is checked. We have a well equipped laboratory which enables our Company to ensure, monitor and check all the parameters in the various stages of sugar production. The produced sugar undergoes grading for determining the quality and price to be commanded.

Distillery products

The processes involved in the distillery unit use molasses, water and certain chemical processes. In order to obtain alcohol content above 99.60% and the water content only in traces, our Company adheres to strict quality measures for blending and for manufacture of Ethanol or Vinegar as required. Our Company has all the facilities to maintain the quality standards and well equipped laboratory and manpower to check the same. The spirits manufactured are sent to our laboratory on sample basis for testing the alcoholic levels.

Co-generation Unit

Our Co-generation unit operates boilers at high pressure where the quality of the boiler feed is very stringent and has to be maintained strictly as per the norms of the boiler manufacturer. The water quality is constantly monitored in our in-house laboratory where all testing facilities are available for this purpose and is under constant monitoring.

HEALTH, SAFETY AND ENVIRONMENT

We are committed to protecting the health and safety of our employees and workers working in our factories. We have policies in place for health and safety for our workmen which have the following salient features:

- Compliance with relevant Safety and Statutory Regulations and Rules both in letter and in spirit.
- Ensuring cleanliness of work place in compliance with the relevant regulations.
- Providing work force with appropriate tools like helmets, gloves, aprons, face masks, etc.
- Knowledge / instructions on work procedures and safety precautions.
- Conducting safety training on induction of new employees and workers as well as periodic refresher training.
- Conducting classes on first aid training, fire-fighting, mock drills, safety audit, risk analysis studies, etc.
- Ongoing assessment on the status of safety, health and environment at the work place and take appropriate measures to improve the same.
- Obligation and responsibility on every employee to perform the tasks ensuring complete safety.

Unit Monitoring

We have a state of the art control room set-up inside the manufacturing unit which monitors the entire process of sugar manufacturing and Co-generation unit in real time. It also maintains the various raw material inputs, heating temperatures, air pressure, electricity generation load, etc. from a single work station. The monitoring unit is built with various safety measures and redundancies to give prior alarms in case of any overload or mishap.

MARKETING, SALES AND DISTRIBUTION SETUP

Our Company undertakes marketing for all of its manufactured products, from Sugar to Compost. Our marketing set-up for each segment is explained below:

Sugar Production

Since the de-regularization of Sugar, our Company has developed a robust marketing and sales team which liaisons with various major brands. Also, after the de-regulation, the price has become highly dynamic and we need to price our products according to these market dynamics. For this, we constantly endeavour to acquire new clients and also retain the existing ones. We sell our manufactured sugar to various wholesalers, stockists and to several FMCG companies. Our Marketing team consists of well experience and qualified people to maintain and increase relations with our customers.

Co-Generation

Electricity is a commodity which cannot be stored and has to be consumed the moment it is generated. Our co- generation unit has an installed capacity of 36.4 MW per annum. After our captive consumption requirement is met, we sell the surplus power generated to the grid under Open Access

Industrial Vinegar

Our Company produces Vinegar which is non-potable and widely used for various industrial purposes or for further processing for domestic consumption. We mainly sell Vinegar to several companies in the food and beverage industry and in the agri-product processing industry. Our marketing team directly approaches various companies for sales pitch. Currently we have several agri-product companies as part of our client list who use our Vinegar as a preservative for raw vegetables and other agricultural products

By-Products

The crushing of sugarcane and subsequent production and manufacture of our products results in the production of various by-products such as Bagasse, Molasses, Carbon Di-Oxide, Boiler Ash and Compost. Bagasse and Molasses is majorly used for captive consumption in our co-generation unit and distillery unit respectively. However, on certain occasions, surplus molasses is sold to other distillery units in the vicinity based on the demand. Our marketing team keeps good relations with various distillery units for ensuring the sale of surplus quantities. The liquefied CO₂ is sold to various cold storage houses, medical equipment makers and other industrial users who are regularly contacted by our marketing team. Further, we have entered into an agreement with Excellences Carbonic Pvt. Ltd. for sale of crude Carbon Di-Oxide. Boiler Ash is sold to various local manufacturers of bricks and related products. With the growing infrastructure in Bellad-Bagewadi and other nearby areas, many brick manufacturers have a constant demand for Boiler Ash. Compost is largely sold on a highly subsidised rate to the farmers who grow sugarcane in the nearby villages. This ensures that the farmers in turn sell the sugarcane produce to us on a priority.

MANPOWER

The production of sugar, manufacturing of distillery and ancillary products and the power generation process requires an appropriate mix of skilled, semi-skilled and un-skilled labour. Belgaum being a border city to both Karnataka, Maharashtra and Goa, labour – skilled, semi-skilled and unskilled – is easily available here. As on March 31, 2024, Our Company had 850 employees.

Besides the above, we also hire labourer from local and nearby areas at our factory premises on a daily wages basis as and when required. Our employees are not unionized into any labourers' or workers' union. We do not employ any Contract Labour in our factory and hence no compliance with The Contract Labour (Regulation & Abolition) Act, 1970 or Rules thereunder is required. We have not experienced any major work stoppages due to labour disputes or cessation of work in the last five years. We believe that we share good and cordial relations with our employees.

The detailed break-up of our employees is as under:

Segment	Directors	KMP / Admin	Workers	Total
Office / General	10	13	276	289
Sugar Production		5	346	351
Co-Generation		0	85	85
Distillery Unit		1	90	91
Vinegar Unit		1	9	10
By-Products & Miscellaneous		1	23	24

The frequency distribution of the salary of the above employees for the month of March 31, 2024 is as given below:

Frequency (Monthly Salary Range)		No. of Employees
From	To	
1	10,000	69
10,001	20,000	713
20,001	30,000	38
30,001	40,000	18
40,001	50,000	0
60,001	70,000	4
80,001	90,000	5
1,90,001	2,00,000	4
2,20,001	2,30,000	1
2,90,001	3,00,000	1

EXPORTS AND EXPORT OBLIGATIONS

The total exports of the company for the last three fiscal years i.e., 2023-24, 2022-23 and 2021-2022 is Rs NIL each.

As per the Authorization Forwarding Letter issued by the Additional DGFT dated November 07, 2016, our Company had an export obligation of 6 times the value of duty saved; to be fulfilled within a period of 6 years (the duty saved being ₹ 48,33,203).

We have cleared our duty obligation made to DGFT by making the required payment vide Challan No.360 dated May 31, 2022.

COLLABORATIONS

The Company has so far not entered into any technical or financial collaboration agreement.



COMPETITION

India is one of the largest sugar producer and consumer in the world. Our Company faces severe competition in the business of Sugar production from sugar mills operating not only in Karnataka and Maharashtra but throughout the country and also from international markets. Though our direct sugar competitors are the sugar mills operating out of

North West Karnataka and South West Maharashtra, with the de-regulation of sugar prices, we now have to set sugar prices as per national competition. The competition faced by us is also in the form of sugarcane purchase from farmers from villages in our vicinity and also outside the area of our factory. Further, competition in the sugar industry arises from organized as well as from un-organized sector

INTELLECTUAL PROPERTY

We have registered 2 trademarks and have applied for 1 patent, as explained below:

Sr. No.	Description		Class	Trademark No.	Status
Trademarks					
1.	VSL (Device)		33	2152827	Registered
2.	VSL (Device)		30	2152826	Registered
Patents					
1.	A System and a Process for Manufacturing Sugar	The system comprises of a receiving unit, a series of milling units, rotary screens, juice heater assemblies, liming and sulphation unit, clarification and settlement unit, evaporating units, and crystallization and centrifugation units. The system requires lesser man power, and is user friendly along with less consumption of steam and energy, thus being cost effective. The present disclosure also related to process for making sugar from sugarcane. The process reduces the loss of sugar, requires a comparatively lower amount of milk of lime and contains substantially lower amount of sulphur.	NA	Application Number - 202141033741	Applied For

PROPERTY

Freehold Property

The details of the Free Hold property are as under:

Sr. No.	Schedule of property and area	Purpose
1.	Land bearing Survey Nos. 136, 139, 140:1, 140:2, 140:3, 140:4, 141:1, 148:3, 149:1, 149:2, 149:3, 149:4, 150:1, 150:2A, 150:2B, 151:1, 151:2A, 151:2B, 151:2C and 152 situated at Bellad Bagewadi, Taluka Hukkeri, Bellad Bagewadi 591305, Karnataka, India Area – 132 Acres and 34 Gunthas.	Factories, Buildings, Godowns and Sheds
2.	Residential Apartment bearing No. M-104, First Floor of “M-Wing – Lynx” in “Brigade Gateway”, situated in Industrial Suburb, Subramanyanagar, Municipal Ward No. 9, Rajinagar Extension (Malleswaram West), Bangalore – 560010	

	Area – 2300 square feet AND Vacant Land bearing Municipal Nos. 26 and 26/1, New No. 26/1, situated in Industrial Suburb, Subramanyanagar, Municipal Ward No. 9, Rajinagar Extension (Malleswaram West), Bangalore – 560010 Area – 404 square feet	Guest House
3.	Freehold Land situated at R. Sy. No. 204 / 2A, Navage Village, Uchagaon Revenue Circle, Belgaum Area – 20 Gunthas	Future Expansion purposes ⁽¹⁾
4.	Freehold Land situated at R. Sy. No. 206 / A, Navage Village, Uchagaon Revenue Circle, Belgaum Area – 3 Acres and 34 Gunthas ⁽²⁾	Future Expansion purposes ⁽¹⁾
5.	Freehold Land situated at R. Sy. No. 206 / B, Navage Village, Uchagaon Revenue Circle, Belgaum Area – 3 Acres and 6 Gunthas ⁽²⁾	Future Expansion purposes ⁽¹⁾
6.	Freehold Land situated at R. Sy. No. 207 / 1, Navage Village, Uchagaon Revenue Circle, Belgaum Area – 1 Acre and 32 Gunthas ⁽²⁾	Future Expansion purposes ⁽²⁾

These properties have been acquired pursuant to registered POA and the final sale deeds for the same are under process. We confirm that none of the Sellers belongs to our Promoter, Promoter Group & Directors of our Company.

- iii. *Each R. Sy. No. has been acquired from multiple owners of small parcels of land. We confirm that none of the Sellers belongs to our Promoter, Promoter Group & Directors of our Company.*

Lease Property

Sr. No.	Name of the Lessor	Premises Leased and area	Term of the Lease	Purpose
		Survey No. 134/2, Off Ghartprabha		
1.	Prakash Shrishailappa Katti	– Chikodi Road, Hukkeri Taluka, District Belgaum, 591 305	20 years from August 16, 206 to August 15, 2026.	Consumer Diesel Pump
		Area – 2 Acres		
		Survey No. 134/2, Off Gokak Road,		
2.	Prakash Shrishailappa Katti	Hukkeri Taluka, District Belgaum, 591305	20 years from June 07, 2017 to June 06, 2037	Staff Quarters
		Area – 5 Acres		
		4 th Floor along with terrace, CTS No.		
3.	Nikhil Umesh Katti	8692/A, Sector No. III, Shivbasv Nagar, Mal-Maruti Extension, Belgaum	10 years from August 21, 2013 to August 20, 2023	Corporate House
		Area – 1543 Yards / 0.32 Acre		
4	Shri Shidalingayya Batayya Kadahatti, Shri Anandayya Balayya Kadahatti, &	R S No 148 A of Viilage Belrad Bagewadi, Hukkeri Taluka, District Belgaum, 591 305	29 years from March 01, 2021 to February 28, 2050	Expansion plans for distillery, bagasse storage and allied activities

	Shri, Santosh		
	Shidalingayya	Area 13 Acres and 28 gunthas	
	Kadahatti		

INSURANCES

The insurance policies covered by the company are:

Sr. No.	Name of the Insurance Company	Name of Policy	Risk Covered	Period	Sum Insured (Rs. In crores)	Policy no
1	The New India Assurance Co. Ltd.	On stock of sugar stored in Godown No.1 & 2	Standard Fire & Special Perils Policy	23.01.2024 to 22.01.2025	120.00	6730071123010000008
2	The New India Assurance Co. Ltd.	On stock of sugar stored in Godown No.3&4	Standard Fire & Special Perils Policy	23.01.2024 to 22.01.2025	120.00	6730071123010000009
3	The New India Assurance Co. Ltd.	Sugar Stock Burglary Godown No1,2,3 & 4	Burglary Insurance	23.01.2024 to 22.01.2025	240.00	6730074623010000003
4	The New India Assurance Co. Ltd.	Vinegar Plant & Machinery and Stocks	Standard Fire & Special Perils Policy	23.01.2024 to 22.01.2025	27.25	6730071123010000011
5	The New India Assurance Co. Ltd.	Staff Quarters 112 Residential flats	Bharat Griha Raksha Policy	23.01.2024 to 22.01.2025	1.85	6730071123860000001
6	The New India Assurance Co. Ltd.	Administrative Building & other Accessories	New India Bharat Laghu Udyam Suraksha Policy	23.01.2024 to 22.01.2025	7.50	6730071123430000001
7	The New India Assurance Co. Ltd.	Guest House Building & other Accessories	New India Bharat Laghu Udyam Suraksha Policy	23.01.2024 to 22.01.2025	5.25	6730071123430000002
8	The New India Assurance Co. Ltd.	Turbine, Gear box, Generator set 22.4 MW	Machinery Insurance Policy	23.01.2024 to 22.01.2025	25.00	6730074423510000005
9	The New India Assurance Co. Ltd.	Various Mechanical & Ele. Equipment's	Machinery Insurance Policy	23.01.2024 to 22.01.2025	23.92	6730074423510000007
10	The New India Assurance Co. Ltd.	All Electrical Motors	Machinery Insurance Policy	23.01.2024 to 22.01.2025	8.63	6730074423510000006
11	The New India Assurance Co. Ltd.	Turbine, Gear box, Generator set (15MW)	Machinery Insurance Policy	23.01.2024 to 22.01.2025	14.50	6730074423510000004
12	The New India Assurance Co. Ltd.	Various Electronic Equipment's	Electronic Equipment Insurance Policy	23.01.2024 to 22.01.2025	11.94	6730074423580000005
13	The New India Assurance Co. Ltd.	80 TPH Boiler	Boiler and Pressure Plant Policy	23.01.2024 to 22.01.2025	22.00	6730074423520000004
14	The New India Assurance Co. Ltd.	70 TPH Boiler	Boiler and Pressure Plant Policy	23.01.2024 to 22.01.2025	20.00	6730074423520000003

15	The New India Assurance Co. Ltd.	Bldg., plinth, foundation, Plant & Machinery & such others of Cogen I phase & Cogen II & Sugar Unit standard fire & perils & Sugar Godown 1234	Standard Fire & Special Perils Policy	23.01.2024 to 22.01.2025	225.00	67300711230100000010
16	The New India Assurance Co. Ltd.	On Distillery, Bldt., Plant & Machinery & Stock	Standard Fire & Special Perils Policy	23.01.2024 to 22.01.2025	50.25	67300711230100000006
17	The New India Assurance Co. Ltd.	B Heavy Mollasses Stock standard fire & perils	Standard Fire & Special Perils Policy	23.01.2024 to 22.01.2025	90.00	67300711230100000007
18	The New India Assurance Co. Ltd.	892 employees Personal Accident each SI Rs.1 lakhs	Employees Personal Accident Insurance Policy	23.01.2024 to 22.01.2025	8.92	67300742230100000011
19	The New India Assurance Co. Ltd.	892 Staff Personal Accident Policy Due to Accidental Death Sum Insured 5 Lakhs & Due to Accidental Hospitalization During Course of Employment & Road Accident Sum Insured 2 Lakhs	Employees Hospitalization Insurance	23.01.2024 to 22.01.2025	53.52	67300748236800000016
20	The New India Assurance Co. Ltd.	Bagasse Stock	Standard Fire & Special Perils Policy	31.10.2023 to 30.07.2024	17.50	6804071123100000002

ORGANISATIONAL STRUCTURE

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 in the name of Vishwanath Sugars Limited vide Certificate of Incorporation dated May 02, 1995 with the Registrar of Companies (“RoC”), Bangalore bearing Registration Number – 08/17730. Our Company was granted the Certificate of Commencement of Business by the RoC, Bangalore on December 21, 1999. The name of our Company was subsequently changed to Vishwanath Sugar and Steel Industries Limited and a Fresh Certificate of Incorporation dated December 28, 2010 was issued by the Registrar of Companies, Bangalore. The name of our Company was further changed to Vishwaraj Sugar Industries Limited vide Certificate of Incorporation dated November 29, 2012 granted by the Registrar of Companies, Bangalore.

Organisational Structure

As of the date of this Placement Document, Company has Associate Companies as mentioned below:

1. UK 27 Hospitality Services (India) Limited
2. UR Agrofresh Private Limited
3. UR Sugar Industries Limited
4. Vishwaraj Encivil India Limited
5. Vishwaraj Infrastructure Private Limited
6. Vishwaraj Developers

As of the date of this Placement Document, Company does not have any Subsidiary Company.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

Board of Directors:

Our Board of Directors presently consists of Ten Directors including Four Executive Directors and Six Non-Executive Directors, Our Chairman is a Non-Executive Non-Independent Director. The Articles of Association provide that our Company shall not have less than three Directors and not more than 12 Directors.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each annual general meeting. A retiring director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five years each. Any re-appointment of Independent Directors shall, inter alia, be on the basis of the performance evaluation report and approved by the shareholders by way of special resolution.

The following table sets forth details regarding our Board of Directors as of the date of this Placement Document.

S. No.	Name, DIN, Date of Birth, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
1.	Nikhil Umesh Katti Designation: Managing Director Address: 341 Bellad Bagewadi, Belgaum, Karnataka - 591305 Date of Birth: March 20, 1983 Occupation: Business Nationality: Indian Term: 3 years DIN:02505734	41	1. Vishwaraj Infrastructure Private Limited 2. UR Agrofresh Private Limited 3. UR Sugar Industries Limited 4. UK27 Hospitality Services (India) Limited
2.	Kush Ramesh Katti Designation: Whole Time Director Address: Bellad Bagewadi, Hukkeri, Bellad, Belgaum, Karnataka - 591305 Date of Birth: November 14, 1986 Occupation: Business Nationality: Indian Term: 3 Years DIN: 02777189	37	1. Vishwaraj Encivil India Limited 2. UR Agrofresh Private Limited 3. UR Sugar Industries Limited
3.	Mukesh Kumar Designation: Whole Time Director Address: F-201, Mantri Paradise Bannerghatta Road, Opposite Reliance Mart Arekere Gate, Karnataka - 560076 Date of Birth: September 28, 1963 Occupation: Business Executive Nationality: Indian Term: 3 Years DIN: 02827073	60	1. Fullon Sugar Private Limited
4.	Sneha Nithin Dev Designation: Whole-Time Director Address: M, 104 Briedge Gate Way 26/1 Dr. Rajkumar Road, Malleshwaram, Bengaluru, Karnataka - 560055 Date of Birth: December 02, 1985 Occupation: Business Nationality: Indian Term: 3 years DIN: 09762514	38	Not Applicable
5.	Vishnukumar Mahadev Kulkarni Designation: Independent Director Address: Sr. No. 12/3B, Flat No. 1004, B-2, Siddharth	65	1. Jewel Profile Private Limited

	Towers, G.A. Kulkarni, Behind City Pride Kothrud, Pune City, Ex. Serviceman Colony Pune, Maharashtra - 411038 Date of Birth: January 10, 1959 Occupation: Self Employed Nationality: Indian Term: 5 Years DIN: 01756948		
6.	Pramod Pratibha Munnoli Designation: Independent Director Address: House No. 570/A, Basti Oni, Bellad Bagewadi, Hukkeri (rural), Bellad Bagewadi, Belgaum, Karnataka - 591305 Date of Birth: June 10, 1985 Occupation: Professional Nationality: Indian Term: 5 Years DIN: 07852508	39	1. UR Sugar Industries Limited
7.	Basavaraj Veerappa Hagaragi Designation: Independent Director Address: House No. 1460/42, Pragati Housing Colony, Bellad Bagewadi, Hukkeri (rural), Bellad Bagewadi, Belgaum, Karnataka - 591305 Date of Birth: March 18, 1955 Occupation: Business Nationality: Indian Term: 5 Years DIN: 07852512	69	1. UR Sugar Industries Limited
8.	Shivanand Basavanneppa Tubachi Designation: Independent Director Address: Plot No. 278, Anugraha Shivabasava Nagar, 2 nd Sector, Belgaum, Nehru Nagar, Hukkeri, Belgaum, Karnataka - 590010 Date of Birth: May 30, 1950 Occupation: Business Nationality: Indian Term: 5 Years DIN: 07852525	74	Not Applicable

Borrowing powers of the Board

Our Board of Directors including any committee thereof vide a special resolution dated September 30, 2017 is authorised to borrow money, without limitation, from any bank or public financial institution, eligible foreign lender or entities and authorities, credit suppliers and any other securities such as floating rate notes, syndicated loans and debentures, commercial papers, short term loans and through credit from official agencies or by way of commercial borrowings for an aggregate amount not exceeding ₹ 1,000.00 Crores notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves.

Shareholding details of our Directors

Sr. No.	Name of the Director	Designation	No. of Shares
1.	Nikhil Umesh Katti	Managing Director	2,55,57,195
2.	Kush Ramesh Katti	Wholetime Director	57,25,375
3.	Sneha Nithin Dev	Wholetime Director	22,46,250

Except mentioned above none of the Senior Management Personnel of our Company hold any Equity Shares in our Company as of the date of this Placement Document.

Interest of our Directors and Senior Management

All our Directors may be deemed to be interested to the extent of their remuneration, sitting fees and compensation payable to them, commission as well as to the extent of reimbursement of expenses payable to them.

All Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, their relatives or the companies, firms and trust, in which they are interested as directors, members, partners, trustees.

Except as provided in "**Related Party Transactions**" beginning on page 54 of this Placement Document, we have not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Placement Document in which any of our Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. For further details on the related party transactions, with our Directors during the last three Fiscals, see "Related Party Transactions" beginning on page 54.

The Senior Management of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them and to the extent of the Equity Shares held by them or their dependents in our Company, if any, any dividend payable to them.

Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested. Our Company has neither availed of any loans from, nor extended any loans to our Directors, which are currently outstanding.

For further details on the related party transactions, with our Directors during the last three Fiscals, see "Related Party Transactions" beginning on page 54.

Our Directors have no interest in the promotion of our Company as on the date of this Placement Document.

Our Company does not have any bonus or profit-sharing plan with its Directors or Senior Management.

Corporate governance

Our Company is in compliance with the corporate governance requirements including the constitution of Board and Committees thereof, as prescribed under the Companies Act and SEBI Listing Regulations.

Committees of the Board of Directors

The Board of Directors have constituted committees, which function in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations. The following table sets forth the members of the aforesaid committees as of the date of this Placement Document:

BOARD COMMITTEES & ITS COMPOSITION

In compliance with corporate governance requirements, our Company has constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee.
5. Risk Management Committee

Audit Committee

The Audit Committee of our Board was re-constituted by our Directors by a Board resolution dated October 15, 2022, pursuant to Section 177 of the Companies Act, 2013 and under various regulations of the SEBI Listing Regulations.

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Shivanand Tubachi	Non-Executive Independent Director	Chairman
Mr. Ramesh Katti	Chairman & Non-Executive Director	Member
Mr. Vishnukumar Kulkarni	Non-Executive Independent Director	Member

Stakeholder's Relationship Committee

The Stakeholders' Relationship Committee was re-constituted by our Directors by a board resolution dated October 15, 2022. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations.

The Stakeholders' Relationship Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Shivanand Tubachi	Non-Executive Independent Director	Chairman
Mr. Nikhil Katti	Managing Director	Member
Mrs. Sneha Dev	Non-Executive Independent Director	Member

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was re-constituted by our Directors by a board resolution dated December 18, 2017. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and under various regulations of the SEBI Listing Regulations.

The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Basavaraj Hagaragi	Non-Executive Independent Director	Chairman
Mr. Pratibha Munnolli	Non-Executive Independent Director	Member
Mr. Surendra Khot	Non-Executive Independent Director	Member

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was re-constituted by our Directors by a board resolution dated October 15, 2022. The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013.

The Corporate Social Responsibility Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Ramesh Katti	Chairman & Non-Executive Director	Chairman
Mr. Kush Katti	Whole-time Director	Member
Mr. Pratibha Munnolli	Non-Executive Independent Director	Member

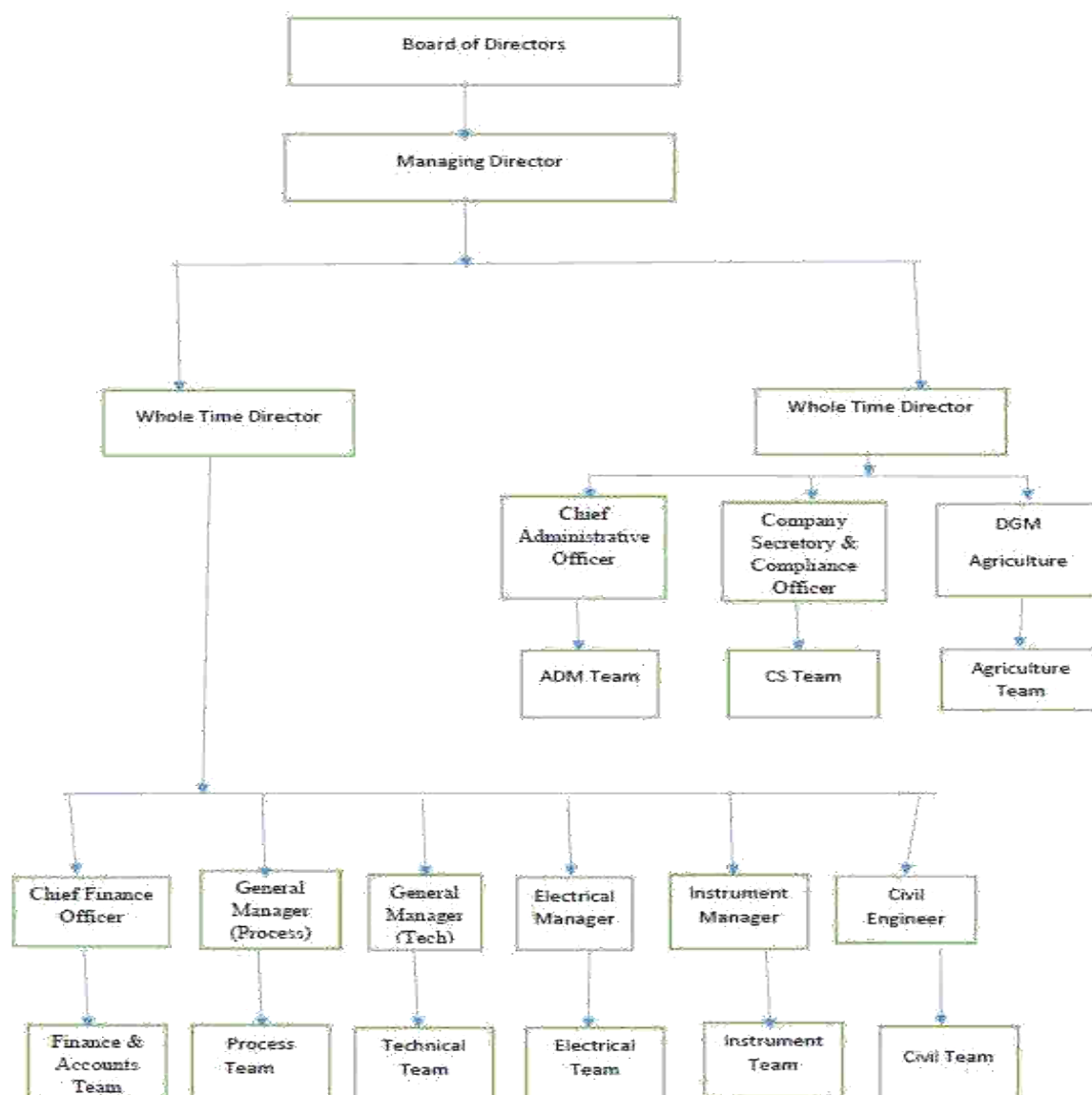
Risk Management Committee

The Risk Management Committee was re-constituted by our Directors by a board resolution dated October 15, 2022. The scope and function of the Risk Management Committee is in accordance with the provisions of the Companies Act, 2013.

The Risk Management Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Vishnukumar Kulkarni	Non-Executive Independent Director	Chairman
Mrs. Sneha Dev	Non-Executive Independent Director	Member
Mr. Mukesh Kumar	Executive Director	Member
Mr. Pratibha Munnolli	Non-Executive Independent Director	Member

MANAGEMENT ORGANISATION STRUCTURE



Other Confirmations

None of the Directors, Promoters or Senior Management of our Company has any financial or other material interest in the Issue.

Neither our Company, nor any of our Directors or Promoters has been declared as a Wilful Defaulter or a Fraudulent Borrower by any bank or financial institution or consortium thereof.

None of the Directors or the companies with which they are or were associated as promoters, directors are debarred from accessing the capital markets under any order or direction passed by the SEBI or any other governmental authority. Neither our Company, nor our Promoters or the companies with which our Promoters is or has been associated with a promoter or a person in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other governmental authority.

None of our Directors or Promoters has been declared as a Fugitive Economic Offender.

None of our Directors, Promoters or Senior Managerial personnel of our Company intends to subscribe to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented an insider trading code of conduct for prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, Company Secretary, acts as the Compliance Officer of our Company under the aforesaid code of conduct for the prevention of insider trading.

PRINCIPAL SHAREHOLDERS AND OTHER INFORMATION

Shareholding pattern of our Company, as on June 30, 2024, is set forth below.

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting (XIV) Rights							Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class eg: X	Class eg: y	Total										
(A)	Promoter & Promoter Group	15	63272310			63272310	33.69	6,32,72,310.00		63272310.00	33.69							63272310		
(B)	Public	161029	124507690			124507690	66.31	124507690.00		124507690.00	66.31							116696190		
(C)	Non Promoter-Non Public																			
(C1)	Shares underlying DRs																			
(C2)	Shares held by Employee Trusts																			
	Total	161044	187780000			187780000	100	187780000.00		187780000.00	100.00			100				179968500		

TABLE III- STATEMENT SHOWING SHAREHOLDING PATTERN

Sr.	Category & Name of Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying convertible securities and Warrants (Xi) (a)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights (XIV)							Total as a % of Total Voting rights	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class eg: X	Class eg: y	Total										
A																				
(1)	Indian																			
(a)	Individuals/Hindu undivided Family	7	58673945			58673945	31.25	58673945.00		58673945	31.25			31.25					58673945	
(b)	Central Government/ State Government(s)																			
(c)	Financial Institutions/ Banks																			
(d)	Any Other (specify)	8	4598365			4598365	2.45	4598365.00		4598365	2.45			2.45					4598365	
	Sub-Total (A)(1)	15	63272310			63272310	33.69	63272310.00		63272310	33.69			33.69					63272310	
(2)	Foreign																			
(a)	Individuals (NonResident Individuals/ Foreign																			

	Individuals)																		
(b)	Government																		
(c)	Institutions																		
(d)	Foreign Portfolio Investor																		
(e)	Any Other (specify)																		
Sub-Total (A)(2)																			
Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		15	632723 10			632723 10	33.69	6327231 0.00	632723 10	33.6 9					33.69				63272310
Details of Shares which remain unclaimed for Promoter & Promoter Group																			
B	Table III - Statement showing shareholding pattern of the Public shareholder <u>Note : Kindly show details of shareholders having more than one percentage of total no of shares. Please refer software manual.</u>																		
(1)																			
(a)	Mutual Funds																		
(b)	Venture Capital Funds																		
(c)	Alternate Investment Funds																		
(d)	Banks																		
(e)	Insurance Companies																		
(f)	Provident Funds/ Pension Funds																		

(g)	<u>Asset reconstruction companies</u>																		
(h)	<u>Sovereign Wealth Funds</u>																		
(i)	<u>NBFCs registered with RBI</u>																		
(j)	<u>Other Financial Institutions</u>																		
(k)	<u>Any Other (specify)</u>																		
Sub-Total (B)(1)																			

(2)																			
(a)	<u>Foreign Direct Investment</u>																		
(b)	<u>Foreign Venture Capital Investors</u>																		
(c)	<u>Sovereign Wealth Funds</u>																		
(d)	<u>Foreign Portfolio Investors Category I</u>	2	247555			247555	0.13	247555		247555	0.13					0.13			247555
(e)	<u>Foreign Portfolio Investors Category II</u>																		
(f)	<u>Overseas Depositories (holding DRs) (balancing figure)</u>																		
(g)	<u>Any Other (specify)</u>																		
Sub-Total (B)(2)		2	247555			247555	0.13	247555		247555	0.13					0.13			247555

(3)																			
(a)	<u>Central Government /</u>																		

	<u>President of India</u>																		
(b)	<u>State Government / Governor</u>																		
(c)	<u>Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter</u>																		
Sub-Total (B)(3)																			
(4)	Non-institutions																		
(a)	<u>Associate companies / Subsidiaries</u>																		
(b)	<u>Directors and their relatives (excluding independent directors and nominee directors)</u>																		
(c)	<u>Key Managerial Personnel</u>																		
(d)	<u>Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)</u>																		

(e)	<u>Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'</u>																
(f)	<u>Investor Education and Protection Fund (IEPF)</u>																
(g)	<u>Resident Individuals holding nominal share capital up to Rs. 2 lakhs</u>	159269	104869056			104869056	55.85	104869056	104869056	55.85					55.85		98934056
(h)	<u>Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs</u>	54	10060809			10060809	5.36	10060809	10060809	5.36					5.36		8184809
(i)	<u>Non Resident Indians (NRIs)</u>	594	2834560			2834560	1.51	2834560	2834560	1.51					1.51		2834560
(j)	<u>Foreign Nationals</u>																
(k)	<u>Foreign Companies</u>																
(l)	<u>Bodies Corporate</u>	128	3255197			3255197	1.73	3255197	3255197	1.73					1.73		3255197
(m)	<u>Any Other (specify)</u>	982	3240513			3240513	1.73	3240513	3240513	1.73					1.73		3240513

Sub-Total (B)(4)	161027	124260 135			124260 135	66.17	1242601 35		124260 135	66.1 7				66.17			11,64,49, 135
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)	161029	124507 690			124507 690	66.31	1245076 90		124507 690	66.3 1				66.31			11669619 0
C																	
(1)	<u>Custodian/DR Holder - Name of DR Holders (If Available)</u>																
(2)	<u>Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021</u>																
Total NonPromoter-Non Public Shareholding (C)= (C)(1)+(C)(2)																	
Total (A+B+C2)	161044	187780 000			187780 000	100.00	1877800 00.00		187780 000	100. 00				100.00			17996850 0
Total (A+B+C)	161044	187780 000			187780 000	100.00	1877800 00.00		187780 000	100. 00				100.00			17996850 0

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the Bidding, application, payment of Application Amount, Allocation and Allotment of Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and the investors are assumed to have apprised themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisors in this regard. Bidders that apply in the issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officer, agents affiliate and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Also see "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representation*" beginning on page 129 and 138 of this Placement Document, respectively.

Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsel, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and the Placement Document will not be, filed as a prospectus with the ROC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, our Company, being a listed company in India may issue eligible securities to Eligible QIBs provided that certain conditions are met by such Company. Some of these conditions are set out below:

- The shareholders of the Issuer have passed a special resolution approving such QIP. Such special resolution must inter alia specify that, (a) the allotment of securities is proposed to be made pursuant to the QIP; and (b) the relevant date for the QIP;
- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to seek approval of the shareholders for the above-mentioned special resolution;
- invitation to apply in this Issue must be made through a private placement offer-cum-application form serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the Issuer shall have

completed allotments with respect to any earlier offer or invitation made by the Issuer or shall have withdrawn or abandoned such invitation or offer made by the Issuer, except as permitted under the Companies Act;

- The issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;
- An offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., the Placement Document), the Issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the Issuer prior to the invitation to subscribe;
- The offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the QIP is prohibited;
- in accordance with the SEBI ICDR Regulations, securities will be issued and allotment shall be made only in dematerialized form to the allottees; and
- the promoter and directors of the Issuer are not Fugitive Economic Offenders.

At least 10% of the equity shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Bid/ Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The floor price of the equity shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's equity shares of the same class quoted on the stock exchanges during the two weeks preceding the relevant date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of up to 5% of the floor price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated April 30, 2024 and our Shareholders through a special resolution on June 10, 2024, have authorised our Board to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price.

The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as mentioned in Regulation 176 (4) of the SEBI ICDR Regulations.

The "relevant date" mentioned above in case of allotment of equity shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and "stock exchange" means any of the recognised stock exchanges in India on which the equity shares of the Issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the relevant date.

The securities must be allotted within 365 days from the date of the shareholders' resolution approving the QIP in one or tranches and also within 60 days from the date of receipt of Application Amount from the successful Eligible QIBs. For details of Allotment, see "Pricing and Allocation – Designated Date and Allotment of Equity Shares" below.

The Equity Shares issued pursuant to the Issue must be issued on the basis of this Preliminary Placement Document and the Placement Document that shall contain all material information including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Placement Document addressed to you, you may not rely on this Placement Document or the Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹25,000 lakhs; and
- five, where the issue size is greater than ₹25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "**Application Form – Bid Process**" on beginning page 120 of this Placement Document.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

We have applied for the in-principle approval of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. We have filed a copy of this Placement Document and will file a copy of Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the ROC within the stipulated period as required under the Companies Act and the PAS Rules.

The Issue has been authorised and approved by our Board on April 30, 2024 and our Shareholders vide their special resolution through Extra Ordinary General Meeting on June 10, 2024.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on Regulations and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold. And Bids may not be made by persons in any such jurisdictions, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On Bid / Issue Opening Date, our Company in consultation with the BRLM has circulated serially numbered copies of the Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, our Company maintains complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom this Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with ROC within the stipulated time period as required under the Companies Act.
2. The list of QIBs to whom the Application Form is delivered shall be determined by our Company in consultation with the BRLM. Unless a serially numbered Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.
3. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Application Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the BRLM.
5. Bidders will be required to indicate the following in the Application Form:
 - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, email-id, PAN details (if applicable), phone number and bank account details;
 - number of Equity Shares Bid for;
 - price at which they are agreeable to subscribe to the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;
 - an undertaking that they will deliver an offshore transaction letter to our Company prior to any sale of Equity Shares confirming that they will not re-offer, re-sell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognized Indian stock exchange in compliance with Regulation S under the Securities Act;
 - details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;
 - equity shares held by the Bidder in our Company prior to the Issue; and
 - a representation that it is outside the United States and it has agreed to certain other representations set forth in the "*Representations by Investors*" on page 4 and "*Transfer Restrictions and Purchaser Representation*" on page 138 of the Placement Document and certain other representations made the Application Form.

NOTE: Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

6. Eligible QIBs shall be required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name and style of "Vishwaraj Sugar Industries Limited - QIP ESCROW ACCOUNT" with the Escrow Agent, within the Bid/Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Application Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the ROC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, (c) the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "Issue Procedure – Refunds" on page 113 of this Placement Document.
7. Once a duly completed Application Form is submitted by a Bidder and the Application Amount is transferred to the Escrow Account, such application constitutes an irrevocable offer and the Bid cannot be withdrawn or

revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

8. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.
9. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.
10. Upon receipt of the duly completed Application Form, whether signed or not and the Application Amount in the Escrow Account, on or before the Bid/ Issue Closing Date, our Company shall, in consultation with BRLM determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the BRLM, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Successful Bidders. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the BRLM.**
11. Upon determination of the Issue Price and before Allotment of Equity Shares to the Successful Bidders, the BRLM, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.
12. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.
13. After passing the resolution passed by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.
14. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.
15. Our Company will then apply for the final trading approvals from the Stock Exchanges.
16. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.
17. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the BRLM shall not be responsible for any delay or non-receipt of the communication of the final trading and listing

permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Eligible Qualified Institutional Buyers:

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Non-Debt Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue (not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations) and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds registered with SEBI;
- pension funds with minimum corpus of ₹ 250 lakhs;
- provident funds with minimum corpus of ₹ 250 lakhs;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF THE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCIS ARE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group which means common ownership of more than fifty per cent or common control) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI including its investor group shall be below 10% of the total post- Issue paid-up Equity Share capital of our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10% or more of the total post- Issue paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such

divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates. The existing aggregate investment limit for FPIs in our Company is 100% of the paid-up capital of our Company, on a fully diluted basis.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "*Selling Restrictions*" on page 129 of this Placement Document.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a promoter, or any person related to, the promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the promoter:

- rights under a shareholders' agreement or voting agreement entered into with the promoters or members of the promoter group;
- veto rights; or
- a right to appoint any nominee director on the board of the Issuer.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company, and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the promoter.

Our Company, the BRLM and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply.

Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of under subscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: Affiliates or associates of the BRLM who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the BRLM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Placement Document and the Placement Document. By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Placement Document, the Eligible QIB will be deemed to have made all the following representations and warranties and the representations, warranties and agreements made under "*Notice to Investors*", "*Representations by Investors*" and "*Selling Restrictions*" beginning on pages 1, 4 and 129, respectively:

1. Each Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
2. Each Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoter(s), either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter(s) or members of the Promoter Group or persons related to the Promoter(s);
3. Each Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);
4. Each Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;
5. Each Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;
6. Each Bidder confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than the floor of a recognised Stock Exchange;
7. Each Eligible QIB confirms that the Eligible QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. Each Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;
8. Each Eligible QIB confirms that its Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations;
9. The Eligible QIB agrees that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date;
10. The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the

BRLM. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

11. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and such QIB consents of such disclosure, if any Equity Shares are allocated to it. However, the Eligible QIB further acknowledges and agrees that, disclosure of such details as "proposed allottees" in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;
12. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:
 - (a) QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIB; and
 - (b) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
13. The Eligible QIBs acknowledge that no Allocation shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.
14. Each Eligible QIB confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.
15. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.
16. A representation that such Bidder is outside the United States, is acquiring the Equity Shares in an "offshore transaction" under Regulations and is not an affiliate of our Company or the BRLM or a person acting on behalf of such an affiliate.
17. Each QIB acknowledges, represents and agrees that its total voting rights in our Company does not exceed 10% of the total issued share capital of our Company.
18. Each Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares and border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated August 28, 2017.

ELIGIBLE QIBs MUST PROVIDE THEIR NAMES, COMPLETE ADDRESSES, PHONE NUMBERS, EMAIL IDS, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAMES, DEPOSITORY PARTICIPANTS IDENTIFICATION NUMBERS AND ENSURE THAT THE NAMES GIVEN IN THE APPLICATION FORM, ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BRLM, THE ELIGIBLE QIBs SUBMITTING A BID ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLM TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BRLM, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as addresses and bank accounts will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the BRLM) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the relevant Escrow Account into which the Application Amounts will have to be deposited.

The Application Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Manager either through electronic form or through physical delivery at the following address:

Name	Address	Contract Person	Website and Email	Phone (Telephone)
Navigant Corporate Advisors Limited	804, Meadows, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri (East), Mumbai - 400059.	Mr. Sarthak Vijlani	www.navigantcorp.com and navigant@navigantcorp.com	+91 22 4120 4837 / 4973 5078

The BRLM shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

Bidders Bidding in the Issue shall pay the entire Application Amount along with the submission of the Application Form, within the Issue Period.

Payment of Application Amount

Our Company has opened the Escrow Account in the name of "**Vishwaraj Sugar Industries Limited - QIP ESCROW ACCOUNT**" with the Escrow Agent, in terms of the Escrow Agreement entered among our Company, the Book Running Lead Manager and the Escrow Agent. Each Bidder will be required to deposit the Application Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bid/ Issue Period. Bidders can make payment of the Application Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in "**Vishwaraj Sugar Industries Limited - QIP ESCROW ACCOUNT**" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount in terms of this Placement Document. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than

the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "*Issue Procedure – Refunds*" on page 113 of this Placement Document.

Bank Account Details:

Each Bidder shall mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. For the purpose of determination of the Floor Price, 'stock exchange' shall mean any of the recognised stock exchanges in which the Equity Shares are listed and in which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their resolution passed on June 10, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board or the committee thereof decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. After finalisation of the Issue Price, our Company has updated this Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Build-up of the Book

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Bid/ Issue Period to the Book Running Lead Manager. Such Bids cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the Book Running Lead Manager.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations. Application Forms received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price. In case of cancellations or default by the Bidders, our Company in consultation with BRLM has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE BID/ ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BRLM ARE NOT OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Manager, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to

them, the Issue Price and the Application Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Successful Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the respective Successful Bidders shall be deemed a valid, binding and irrevocable contract for such Bidders to subscribe to the Equity Shares Allocated to them. Subsequently, our Board will approve the Allotment of the Equity Shares to the allottees in consultation with the Book Running Lead Manager.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

By submitting the Application Form, a Bidder would have deemed to have made the representations and warranties as specified in "*Notice to Investors*" on page 1 of this Placement Document and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.
2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer of securities in listed companies in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.
3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Allottees.
5. Following the credit of Equity Shares into the respective Allottees' beneficiary accounts, our Company will apply for the final listing and trading approvals from the Stock Exchanges.
6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue under Form PAS-3 with the RoC within the prescribed timelines under the Companies Act.
7. After finalization of the Issue Price, our Company shall update this Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with this Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Bidder has deposited the Application Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the

Bid prior to the Bid/ Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted as set out in the Application Form. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever. Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the ROC, whichever is later.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN (except Bids from any category of Bidders, which may be exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Manager, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Manager in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the Bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder as set out in the Application Form. For details, see "*Issue Procedure*" – "Refund" on page 113 of this Placement Document.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful

Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL. The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges. Our Company and the Book Running Lead Manager shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT

Placement Agreement

The Book Running Lead Manager has entered into the Placement Agreement dated July 22, 2024 with our Company, pursuant to which the Book Running Lead Manager has agreed, subject to certain conditions, to manage this Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable effort's basis.

The Equity Shares will be placed with the Eligible QIBs pursuant to this Issue under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with the rules made thereunder. The Placement Agreement contains customary representations and warranties, as well as indemnities from our Company and is subject to satisfaction of certain conditions and termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Placement Document has not been, and will not be, registered as a prospectus with the Registrar of Companies, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

The BRLM and their affiliates may in the future engage in transactions with and perform services for our Company and our Subsidiary or affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and our Subsidiary or affiliates, for which they would have received compensation and may in the future receive compensation.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by our Company outside the United States, in "offshore transactions", as defined in, and in reliance on, Regulations and the applicable laws of the jurisdiction where those offers and sales occur.

Relationship with the Book Running Lead Manager

In connection with the Issue, the Book Running Lead Manager or its affiliates may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Manager may purchase or subscribe to the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see the section "Offshore Derivative Instruments" beginning on page 10 of this Placement Document.

From time to time, the Book Running Lead Manager, and its affiliates and associates may have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, commercial banking, trading services for our Company, group companies, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Manager and its affiliates and associates.

Lock up

Our Company will not, for a period commencing from the date hereof and ending 15 days from the date of Allotment, without the prior written consent of the Book Running Lead Manager, directly or indirectly: (a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any

equity shares, or any securities convertible into or exercisable or exchangeable for Equity Share; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of equity shares; or (c) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Shares in any depository receipt facility; (d) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise; provided that, the foregoing restrictions do not apply to any sale, transfer or disposition or issue of Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares) pursuant to any transaction required by law or an order of a court of law or a statutory authority.

Lock-up by Promoters

Our Promoters and members of the Promoter Group agree that without the prior written consent of the Book Running Lead Manager, they shall not, announce any intention to enter into any transaction whether any such transaction which is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, during the period commencing on the date of the Placement Document and ending 15 days from the date of the filing of the Placement Document (both dates inclusive) ("Lock-up Period") directly or indirectly: (1) offer, issue, pledge, sell, encumber, contract to sell or announce the intention to sell, lend, purchase any option or contract to sell, grant or sell any option, right, contract or warrant to purchase, lend, make any short sale or otherwise transfer or dispose of any Equity Shares or any other securities of our Company substantially similar to the Equity Shares acquired or purchased during the Lock-Up Period, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any such substantially similar securities, whether now owned or hereinafter acquired; (2) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of the Equity Shares and the securities that are convertible into, exercisable or exchangeable for or any such substantially similar securities, whether now owned or hereinafter acquired; whether any such transaction described in clause (1) or (2) above is to be settled by delivery of the Equity Shares or such other securities, in cash or otherwise, (3) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in any depository receipt facility, or (4) publicly announce its intention to enter into the transactions referred to in (1) to (3) above.

Our Promoters have further agreed that any Equity Shares acquired by them during the Lock-up Period, either from the open market or inter-se transfer, shall constitute Promoter Shares, and shall be subject to the restrictions contained in the Preliminary Placement Agreement.

SELLING RESTRICTIONS

The distribution of the Preliminary Placement Document or the Placement Document and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of the Placement Document or the Placement Document were advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. The Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "*Notice to Investors*" and "*Representations by Investors*" on pages 1 and 4 respectively.

General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made only to Eligible QIBs through a QIP, in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. Each purchaser of the Equity Shares in the Issue will be deemed to have made acknowledgments and agreements as described under "Transfer Restrictions and Purchaser Representation" on 138.

Republic of India

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in reliance on Regulation S. To help ensure compliance with Regulation S, each purchaser of the Equity Shares offered and sold in "offshore transactions" as defined in, and reliance on Regulation S deemed to have made the representations, warranties, acknowledgements and agreements agreed as follows:

- a) the purchaser (i) is, and the person, if any, for whose account it is acquiring such Shares is, outside the United States, and (ii) is acquiring the Shares in an "offshore transaction" as defined in Regulation S;
- b) the purchaser has not been offered the Shares by means of any "directed selling efforts" as defined in Regulation S;
- c) the purchaser is aware that the Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, and, subject to certain exceptions, may not be offered or sold within the United States; and
- d) the purchaser acknowledges that our Company, the Book Running Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

European Economic Area

In relation to each Member State of the European Economic Area (each a "Relevant State"), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the "Prospectus Regulation"):

- a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager and the Syndicate Members for any such offer; or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

Provided that no such offer of the Equity Shares shall require our Company or any BRLM to publish a prospectus pursuant to article 3 of the Prospectus Regulation or supplement a prospectus pursuant to article 23 of the Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to any Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Hong Kong

The Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, the Placement Document has not been, and will not be, registered as "prospectus" in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap ("CO") nor has it been authorised by the Securities and Futures Commission ("SFC") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) ("SFO"). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of the Placement Document, they should obtain independent professional advice.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

The Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. The Placement Document must not be issued, circulated or distributed in Hong Kong other than:

- a) to "professional investors" within the meaning of the SFO and any rules made under that ordinance ("Professional Investors"); or
- b) in other circumstances which do not result in the Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of the Placement Document may issue, circulate or distribute the Placement Document in Hong Kong or make or give a copy of the Placement Document to any other person.

No person allotted Equity Shares may sell, or offer to sell, such Equity Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

Japan

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "Financial Instruments and Exchange Act"). The Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Singapore

The Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the Equity Shares will be offered pursuant to exemptions under the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA"). Accordingly, the Equity Shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the Placement Document or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- c) securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:
- d) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- e) where no consideration is or will be given for the transfer
- f) where the transfer is by operation of law
- g) as specified in Section 267(7) of the SFA; or
- h) As specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and

- (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products)

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

- a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Manager for any such offer; or
- c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation;

provided that no such offer of the Shares shall require our Company or any BRLM to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "Relevant Persons"). The Placement Document is directed only at relevant persons. Other persons should not act on the Placement Document or any of its contents. The Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

Australia

This Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act, 2001 ("Corporations Act") and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a "sophisticated investor" or a "professional investor" and that not it is not a "retail client" within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

Neither the BRLM nor any of its affiliates is the holder of Australian Financial Services Licence.

Bahrain

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Placement Document and the Equity Shares that shall be offered pursuant to this Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("CBB"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("MOICT") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

Kuwait

This Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("Kuwait Securities Laws"). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Placement Document does not constitute a public offering. The Placement Document is for the exclusive use of the person to whom it has been given by the BRLM and is a private concern between the sender and the recipient.

New Zealand

This Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMA Act"). The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Oman

This Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

This Placement Document has not been approved by the Capital Market Authority of Oman (the "CMA") or any other regulatory body or authority in the Sultanate of Oman ("Oman"), nor has the BRLM or any placement agent acting on its behalf received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. Neither the BRLM nor any placement agent acting on its behalf is a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking

services in Oman. Neither the BRLM nor any placement agent acting on its behalf advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman. Nothing contained in this Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Qatar (excluding the Qatar Financial Centre)

This Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the BRLM is not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the BRLM are not, by distributing this Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar Financial Centre

This Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("QFC"), and accordingly should not be construed as such. The Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC.

The Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

Saudi Arabia

This Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority ("CMA") pursuant to resolution number pursuant to resolution number 3-123-2017 dated December 27, 2017 as amended by resolution number 1-104-2019 dated September 30, 2019, as amended (the "CMA Regulations"). The CMA does not make any representation as to the accuracy or completeness of this Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

South Africa

In South Africa, the offering of the Equity Shares in the Issue will only be made by way of private placement to:

- a) Selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act of 2008, as amended (the "South African Companies Act"); and
- b) Selected persons, acting as principal, acquiring Equity Shares for a total acquisition cost of ZAR 1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act, and in each case to whom the offer of the Equity Shares will specifically be addressed, and only by whom the offer will be capable of acceptance (the "South African Qualifying Investors"). This Placement Document is being made available only to such South African Qualifying Investors. The information contained in this Placement Document does not constitute, nor form part of, any offer or invitation to sell or issue, an advertisement or any solicitation of any offer or invitation to purchase or subscribe for any Equity Shares or any other securities and is not an "offer to the public" as contemplated in the South African Companies Act.

This Placement Document does not, nor does it intend to, constitute a "registered prospectus" or an "advertisement", as contemplated by the South African Companies Act and no prospectus has been filed with the Companies and Intellectual Property Commission (the "CIPC") in respect of the Issue of the Equity Shares. As a result, this Placement Document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act of 2002, as amended (the "FAIS Act") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Equity Shares or in relation to the business or future investments of our Company is appropriate to the particular investment objectives, financial situation or needs of a prospective investor, and nothing in this Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Our Company is not a financial services provider licensed as such under the FAIS Act.

South Korea

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea ("South Korea") (the "FISCMA")) of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder ("Professional Investors") and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

Switzerland

The Equity Shares offered in the Issue may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares offered in the Issue may be publicly distributed or otherwise made publicly available in Switzerland. The Equity Shares offered in the Issue shall only be offered to regulated financial intermediaries, such as banks, securities dealers, insurance institutions and fund management companies, as well as institutional investors with professional treasury operations.

Neither this Placement Document nor any other offering or marketing material relating to the offering of the Equity Shares in the Issue have been or will be filed with or approved by any Swiss regulatory authority.

In particular, this Placement Document will not be filed with, and the offer of the Equity Shares offered in the Issue will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA. The offer of the Equity Shares in the Issue has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to purchasers of the Equity Shares offered in the Issue.

This Placement Document is personal to the recipient only and is not for general circulation in Switzerland.

United Arab Emirates (excluding the Dubai International Financial Centre)

No offering, marketing, promotion, advertising or distribution (collectively, "Promotion") of the Placement Document or the Equity Shares may be made in the United Arab Emirates (the "UAE") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "SCA") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "Promotion and Introduction Regulations"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of the Placement Document and the Equity Shares has not been and will not be approved by the SCA and, as such, the Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares. Except where the Promotion of the Placement Document and the Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of the Placement Document and the Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of the Placement Document and nor does any such entity accept any liability for the contents of the Placement Document.

Dubai International Financial Centre

The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) (the "Markets Rules") adopted by the Dubai Financial Services Authority (the "DFSA"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved the Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it. Capitalised terms not otherwise defined in the Placement Document have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Placement Document, you should consult an authorised financial adviser.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("Commission") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal

assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Placement Document is subject to Malaysian laws. This Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Other Jurisdictions

The distribution of this Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATION

Due to the following restrictions, investors are advised to consult their legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares, except on the Stock Exchange, is not permitted for a period of one year from the date of Allotment. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "*Selling Restrictions*" on page 129 of this Placement Document.

United States Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted, agreed and acknowledged as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.
- It was outside the United States (within the meaning of Regulation S) at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States (within the meaning of Regulation S) when its buy order for the Equity Shares offered in the Issue was originated.
- It did not purchase the Equity Shares offered in the Issue as a result of any "directed selling efforts" (as defined in Regulation S).
- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.
- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.
- It agrees to indemnify and hold our Company and the Book Running Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.

It acknowledges that our Company, the Book Running Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company, the Book Running Lead Manager or any of their respective affiliates or advisors

The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity

Stock Exchanges Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "SECC Regulations"), which regulate inter alia the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SECC Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, the SCRA, the SCRR, the SEBI Act, and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding at 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Further, where the public shareholding in a listed company falls below 25% (except public sector undertakings) at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirement. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The stock exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise circuit breakers. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

BSE

BSE is one of the stock exchanges in India on which our Equity Shares are listed. Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017. It has evolved over the years into its present status as one of the premier stock exchanges of India.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. Deliveries for trades executed "on-market" are exchanged through the National Securities Clearing Corporation Limited. It has evolved over the years into its present status as one of the premier stock exchanges of India. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading ("BOLT") facility in 1995. This totally automated screen-based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform, BOLT Plus. NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("NEAT"), which

operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to, inter alia, continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of our Company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. The SEBI Takeover Regulations were further amended on June 22, 2020 to exempt any acquisitions by way of preferential issue from the obligation to make an open offer.

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("UPSI").

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, inter alia, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities listed or proposed to be listed, to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI.

Insider Trading Regulations

The SEBI Insider Trading Regulations also provides for disclosure obligations for promoters, members of the promoter group, designated person or director in case value of trade exceed monetary threshold of ₹1 lakh over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on our Company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations.

Further, on July 17, 2020, SEBI amended the Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database be maintained, containing the nature of

unpublished price sensitive information, the names and details of persons who have shared the information and the names and details person with whom information is shared.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum and Article of Association, the Companies Act, 2013. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Authorised Capital

The authorised share capital of our Company is Rs. 60,00,00,000 divided into 30,00,00,000 Equity Shares of face value of ₹ 2 each. As on the date of this Placement Document, the issued capital of the Company is ₹ 37,55,60,000 comprising of 18,77,80,000 fully paid-up Equity Shares of face value of ₹ 2 each.

Dividends

Subject to applicable law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of its shareholders at the AGM of shareholders. The shareholders have the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are declared on per share basis and distributed and paid to shareholders. The Companies Act provides that shares of a company of the same class must receive equal dividend treatment. These distributions and payments are required to be deposited into a separate bank account within five days of the declaration of such dividend.

The Companies Act states that any dividends that remain unpaid or unclaimed within 30 days from the date of declaration of dividends is to be transferred to a special bank account called the dividend unpaid account within seven days from the date of expiry of the period of 30 days. Any money that remains unclaimed for seven years from the date of the transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government of India. The Articles authorise our Board of Directors to declare interim dividends, which may be declared at any time and shall be set off against the final dividend for the relevant period. Further, the Company shall, before declaring any dividend for each year, transfer to the reserve fund, an amount in accordance with the Articles of Association of the Company and subject to the provisions of the Companies Act.

Under the Companies Act, dividends payable can be paid only in cash to the registered shareholder at a record date fixed prior to the relevant AGM, to his order or to the order of his banker. However, any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings calculated under Indian GAAP, the Companies Act permits our Board of Directors, subject to the approval of our Shareholders, to distribute to our Shareholders, in the form of fully paid-up bonus shares, an amount transferred from our Company's profits or reserves in accordance with the Articles of Association, and the Companies Act.

Bonus shares can only be issued if our Company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal or interest payments on fixed deposits or debt securities issued by it. Bonus shares may not be issued in lieu of dividend. Further, listed companies are also required to follow the SEBI ICDR Regulations for issuance of bonus shares.

Pre-Emptive Rights and Issue of Additional Shares

Subject to the provisions of the Companies Act, our Company may increase its share capital by issuing new shares on such terms and with such rights as it may determine. According to Section 62 of the Companies Act, 2013, such new shares shall be offered to existing shareholders in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date our Board of Directors may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to our Shareholders. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person subject to the provisions of FEMA Rules, if applicable.

Under the provisions of Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, in the event a special resolution to that effect is passed by our Shareholders in a general meeting. In addition, our Company will also be required to comply with the SEBI ICDR Regulations.

General Meetings of our Shareholders

There are two types of General Meetings of our Shareholders:

- AGM and;
- EGM.

Our Company must hold its AGM within six months after the expiry of each Financial Year provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months. Our Board of Directors may convene an EGM when necessary and is required to call an EGM at the request of shareholder(s) holding in the aggregate not less than one tenth of our Company's paid-up share capital (carrying a right to vote in respect of the relevant matter on the date of receipt of the requisition).

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95.00% of the shareholders entitled to vote. Unless the Articles of Association provide for a larger number, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. The quorum requirements applicable to shareholder meetings under the Companies Act have to be physically complied with.

A company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of the memorandum of association, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons therefore and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode.

Voting Rights

A shareholder has one vote for each equity share and voting may be on a poll or through electronic means or postal ballot. Ordinary resolutions may be passed by simple majority if the votes cast in favour exceeds the votes cast against the resolution. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. A shareholder may exercise his voting rights by proxy to be given in the form required by the Companies Act read with the rules issued thereunder. The instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting.

Section 108 of the Companies Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 deal with the exercise of right to vote by members by electronic means.

Transfer and transmission of shares

Equity Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the NSDL and CDSL. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock

exchange. Our Company shall keep an electronic book in which every transfer or transmission of shares will be maintained. Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository.

The Equity Shares shall be freely transferable, subject to applicable laws.

Buy-back

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act, 2013 and any related SEBI guidelines issued in connection therewith.

Winding up

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution and any other sanction required under the Companies Act, 2013, divide amongst the members, in specie or kind, the whole or any part of the assets of our Company and divide the whole or any part of the assets of the Company to its members, in specie or kind.

TAXATION
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors

Vishwaraj Sugar Industries Limited

Bellad-Bagewadi, Taluk-Hukkeri,

District-Belgaum - 591305

Karnataka, India

Subject: Statement of possible special tax benefits ("the Statement") available to Vishwaraj Sugar Industries Limited ("the Company") and its shareholders prepared in accordance with the proposed qualified institutions placement of equity shares of face value of Rs. 2 each ('Equity Shares') to qualified institutional buyers of the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations") (the "Proposed Offer" or "Issue")

We hereby report that the enclosed Annexure I prepared by the Company, initiated by us for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together "the Tax Laws"), presently in force in India as on the signing date which are defined in Annexure I. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure I cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure I and its contents is the responsibility of the Management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future;
- or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or

expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Statement in the Placement Document, Placement Document and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

In the absence of any communication from us, it may be assumed that there is no change to the above information.

For M/s. P.G. Ghali & Co.
Chartered Accountants
Firm Registration Number: 011092S

Sd/-
CA Praveen P. Ghali
Partner
Membership Number: 215756
UDIN: 2421575BKATJR8296

Place: Belagavi
Date: 08/06/2024

Annexure I

Sr. No.	Details of Tax Law
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO VISHWARAJ SUGAR INDUSTRIES LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS

The information provided below sets out the possible special direct tax & indirect tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company, and the shareholders of the Company to derive the direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, and the shareholders of the Company may or may not choose to fulfil. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or the shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax laws.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. The tax benefits stated below are as per the Income tax Act, 1961 (“IT Act”) as amended from time to time and applicable for financial year 2024-25 relevant to assessment year 2025-26 and Indirect Tax Laws as amended from time to time and applicable for financial year 2024-25.

I. Under the IT Act

1. Special tax benefits available to the Company under the Act a) Lower Corporate Tax Rate under section 115BAA

A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act 2019”) granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%) from the Financial Year 2019-20, provided such companies do not avail specified exemptions/incentives (i.e. deduction under section 10AA, 32(1)(iia), 33ABA, 35 (2AB), 80-IA etc.) The Amendment Act, 2019 also provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax (“MAT”) under section 115JB. The CBDT has further issued Circular 29/2019 dated Oct 02, 2019 clarifying that since the MAT provisions under section 115JB itself would not apply where a domestic company exercises option of lower tax rate under section 115BAA, MAT credit would not be available. Corresponding amendment has been inserted under section 115JAA dealing with MAT credit. The Company is eligible to exercise the above option and has exercised the option to pay tax u/s 115BAA from AY 2021-22.

B. Deductions from Gross Total Income

Section 80 JJAA- Deduction in respect of Employment of new employees

Subject to fulfilment of prescribed conditions, the company and the Material Subsidiaries are entitled to claim deduction, under the provision of Section 80JJAA of the Act, of an amount equal to thirty percent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

Section 80M-Deduction in respect of inter-corporate dividends

A new Section 80M has been inserted by the Finance Act, 2020 w.e.f. April 01, 2020 providing for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust as does not exceed the amount of dividend distributed by it

on or before one month prior to the date of filing its tax return as prescribed under Section 139(1) of the Act. Where the Company received any such dividend during a Financial Year and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said Financial year, it shall be entitled to the deduction under Section 80M of the Act.

2. Special tax benefits available to Shareholders

There are no special tax benefits available to the shareholders (other than resident corporate shareholder) of the company. With respect to a resident corporate shareholder, a new section 80M is inserted in the Finance Act, 2020, to remove the cascading effect of taxes on inter-corporate dividends during financial year 2020-21 and thereafter. The Section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The “due date” means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139.

NOTES: -

- a) The above statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b) The above statement covers only certain special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- c) The above statement of possible special tax benefits is as per the current direct tax laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the company or its shareholders fulfilling the conditions prescribed under the relevant provision of the Tax Laws.
- d) In respect of non-residents, the tax rate and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
- e) In respect of lower Corporate Tax rate under section 115BAA, it may be noted that such option for Financial Year 2020-21 is yet to be exercised by the Company. The option once exercised cannot be subsequently withdrawn for the same or any other Financial Year.
- f) If the company opts for concessional corporate income tax rate as prescribed under section 115BAA of the Act, it will not be allowed to claim any of the following deductions: -
 - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
 - Deduction under clause (iia) of sub-section (1) of section 32 (Additional Depreciation)
 - Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
 - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
 - Deduction under section 35AD or section 35CCC (deduction for specified business, agricultural extension project)
 - Deduction under section 35CCD (Expenditure on skill development)
 - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or section 80M
 - No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above
 - No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above
- g) This statement is intended only to provide general information to the investors and is neither designed nor intended to be substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

II. Under the Indirect Tax Laws

1. Special indirect tax benefits available to the Company.

The Company is not entitled to any special tax benefits under indirect tax laws.

2. Special indirect tax benefits available to Shareholders

The Shareholders of the company are not entitled to any special tax benefit under indirect tax laws.

NOTES:

1. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
2. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION VI: LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATION AND DEFAULTS

A. LITIGATIONS INVOLVING OUR COMPANY

I. Litigations filed against our Company

- a. Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:

Tax Proceedings

The following tax proceedings are pending against the Company:

(i) Direct Tax

As per website of Income Tax, the following e-proceedings are shown as pending with “open” or “pending” status. However, the amount has not been mentioned and cannot be crystallized:

Assessment Year	Proceeding Name	Proceeding Status
2014-15	Issue Letter	Open
2015-16	Issue Letter	Open
2016-17	Issue Letter	Open
2016-17	Issue Letter	Open
2017-18	Issue Letter	Open
2018-19	Defective Notice under section 139 (9)	Pending
2018-19	Adjustment under section 143(1)(a)	Pending
2022-23	First Appeal Proceedings	Open
2022-23	Penalty Proceedings	Open

(ii) Tax Deducted at Source (TDS)

Sr. No.	Financial Year	Total Default (Rs. In Lacs)
Nil	Nil	Nil

b. *Matters involving issues of moral turpitude or criminal liability on the part of our Company.*

- A petition under Section 166 of the Motor Vehicles Act, 1988, bearing MVC No. 2626/2019 was filed against our Company and two other respondents, seeking compensation on account of the death of Mallikarjun s/o Tammanna Kalal in a motor vehicle accident before the Hon’ble Court of the Principal District Judge and M.A.C.T Belagavi at Belagavi. The matter is currently pending adjudication.

There are no issues of moral turpitude or criminal liability on part of the Company.

c. *Matters involving material violations of Statutory Regulations by our Company.*

- Our Company, filed an appeal vide Appeal No. E/20219/2016-DB on February 25, 2016 against the Order passed by the Commissioner, Central Excise, Customs and Service Tax -Belgaum vide Order No. – BEL-EXCUS-000-COM-B-HR-012-15-16 dated January 6, 2016 wherein the order stated that, the provisions of Rule 6 of the CCR, 2004 were attracted to the clearance of electricity (non-excisable) for a consideration received w.e.f.1.3.2015 in the event the assessee opted not to maintain separate accounts for CENVAT credit in respect of any inputs/input services used in relation to dutiable final products and exempted goods, in the light of amendment to Rule 6 vide Notification No.6/201s_CE(NT), dt.1.3.2015 and denied the CENVAT Credit of Rs. 2,36,36,992/-, Rs. 93,73,567/- . Rs. 2,01,59,813/- and Rs. 1,05,48,860/- respectively. The matter is currently pending adjudication.
- Our Company received a show cause cum demand Sl.No.51/2016-Commr. (C.Ex.), dated March 29, 2016 from the Joint Commissioner C.Ex., Belgaum vide his Order raising a demand for an amount of Rs. 1,44,66,447/- under Rule 14 of the CENVAT Credit Rules, 2004. After receipt of the said Order-In- Original our Company has deposited an amount of Rs.10,84,984/- and being aggrieved by the said order the Company filed an Appeal vide

Appeal No. E/20529/2018 on the ground that the electrical energy generated by the Appellants is non-excisable and is not covered within the scope of provisions of Rule 6 of the CCR, 2004 and that the show cause notices made many bald allegations toward the Company, one of them being that the appellants have allegedly failed to deposit the CENVAT Credit of Rs. 1,44,66,447/-. The matter is currently pending adjudication.

- Our Company filed an Appeal vide Appeal No. E/21597/2018 against the order passed by the Commissioner, Central Excise, Customs and Service Tax -Belgaum. Our Company received show caused notices tuning to an amount of Rs.93,23,882/ - equal to 6% on the amount of Rs.15,53,98,028/- being the value of electricity sold by our Company to outside agencies i.e., to power distribution companies. The matter is currently pending adjudication.
- Our Company was served a show caused notice stating that during the course of audit on the records of the assessee, internal audit party of Belagavi Audit Circle observed non-payment of Service Tax vide ST/20153/2020 on ocean freight (FOB value) of Rs. 99,38, 110/- .Thus, the Company filed an appeal and denied Service Tax of Rs. 99,38,110/- on the grounds that services were rendered outside India and the same can't be taxed in India and secondly the services cannot be taxed as such since they were rendered under a CIF contract in which the Ocean Freight of such vessel owner or operator is paid by over sea supply. The matter is currently pending adjudication.
- Writ petition WPN 104162-104163/2019, was filed by our Company against the Union of India under Article 226 & 227 of the Constitution of India, seeking stay on the sugar cess of Rs.2,41,60,680/- levied on the Company before the High Court of Karnataka, Dharwad bench. The matter is currently pending adjudication.
- A show cause notice vide Sl.No.10/2008(ADC), dated January 29, 2008 was issued by the Additional Commissioner, Central Excise, Belgaum to M/s. Vishwanatha Sugars Limited (earlier name of the Issuer), wherein it was stated that the Issuer had availed and utilised Cenvat Credit of Rs.38,23,366/- (BED), Education Cess of Rs.71,111/- and Higher & Secondary Education Cess of Rs.374/- aggregating to Rs.38,94,851/-, during the period spanning from February, 2007 to August, 2007. The Issuer was asked to show cause as to why these amounts and appropriate interest should not be recovered from them and why hefty penalty should not be imposed. The matter is currently pending adjudication.
- A show cause notice vide Sl.No.14/2009(AC), dated April 29, 2009 was issued by the Additional Commissioner, Central Excise, Belgaum to M/s. Vishwanatha Sugars Limited (earlier name of the Issuer), wherein it was stated that in addition to utilizing the electricity generated captively within their factory for running their plant and machinery for manufacturing of excisable goods being Sugar and Molasses, the Issuer had sold 4,06,57,500 units of electricity worth Rs.29,13,96,135/- as could be worked out based on their statement vide their ref. No. VSL/SCEX/NPN/175/2009 dated April 11, 2009 for the period from April 2008 to March 2009 and to show cause as to why the said amount should not be recovered from them. The matter is currently pending adjudication.
- A show cause notice vide Sl.NO 15/2021-22, dated March 9, 2022 was issued by the Additional Commissioner Central GST and Central Excise, to M/s. Vishwanatha Sugars Limited (earlier name of the Issuer), wherein it was stated to show cause with respect to Transfer/Availment of "ineligible" CENVAT credit of Rs.3,53,47,341/- on sugar cess. The matter is currently pending adjudication.
- A show cause notice No ADCOM/(ENF)/SZ/DCCT-02/SUM-14/2023-24, dated March 27, 2024 was issued by the Deputy Commissioner of Commercial Taxes (Enforcement)-02, South Zone, Bangalore to our company, wherein it was stated to show cause with respect to Denial and recovery of ITC of Rs.73,52,616 claimed on the IPO related expenses during the F.Y.2019-20.
- NCLT Bangalore: Spray Engineering Devices Ltd has filed a case against our company for recovery of Rs.1,53,12,676/- towards short payment made by us to them against supply of equipment's. Next date of hearing date is 25th Jun-2024.

II. Litigations filed by our Company.

Our Company, filed an appeal vide Appeal No. C/86039/14 on March 24, 2014 against the Impugned Order – in - Original passed by the Commissioner of Customs Pune, vide Order No. PUN-CUSTM-000-COM-02/2012-14 dated January 13, 2014 wherein the order stated that, the coal imported by the our Company attracted classification under CTH 2701 1200 and not under CTH 27011920; that the exemption claimed by our Company in terms of Notification No 12/2012-Cus dated 17-03-2012 (Sl No 123) was not admissible since the coal imported was not Steam Coal; that the Company was liable to pay the differential customs duty amounting to Rs 1,39,37,096/- along with interest as demanded

in the SCN F No. VIII/Cus/PPP/VSIL/04/2013 dated July 17, 2013; that the Company had mis-declared the imports and resorted to mis-classification of the same with intent to evade payment of appropriate customs duty and hence the differential customs duty was liable to be demanded as per Section 28(1) of the Customs Act, 1962 and that our Company by mis-declaring and mis-classifying the coal imported and evading payment of applicable customs duty by availing incorrect exemption had rendered itself liable to imposition of penalty under Section 112 (a) the Customs Act, 1962. The matter is currently pending adjudication.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority in relation to the objects of this Issue.

OUR STATUTORY AUDITORS

M/s. P. G. Ghali & Co., Chartered Accountants ("Statutory Auditors"), are the current independent Statutory Auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by ICAI. The Statutory Auditors were appointed pursuant to the approval of the Shareholders of our Company at the AGM held on August 27, 2022, for a term of 5 years commencing from the conclusion of the 27th AGM of our Company till the conclusion of the 32nd AGM to be held in the year 2027.

Our erstwhile Auditor, M/s. P. G. Ghali & Co., Chartered Accountants have audited the Audited Financial Statements for Fiscals 2023 and 2024 and their audit reports on those financial statements are included in this Placement Document in "Financial Statements" on page 158 of this Placement Document.

Further, M/s Gojanur & Co., Chartered Accountants, have audited the Audited Financial Statements for Fiscals 2022 and their audit reports on those financial statements are included in this Placement Document in "Financial Statements" on page 158 of this Placement Document.

GENERAL INFORMATION

Our Company was incorporated as Vishwanath Sugars Limited, under the Companies Act, 1956 pursuant to a certificate of incorporation dated May 02, 1995 issued by the Registrar of Companies, Bangalore (“RoC”) and commenced its business on December 21, 1999 pursuant to a certificate of commencement of business issued by RoC.

- Our registered office is located at Bellad-Bagewadi, Taluk-Hukkeri, District-Belgaum - 591305, Karnataka, India.
- Our CIN is L85110KA1995PLC017730. The website of our Company is www.vsil.co.in.
- Our Equity Shares are listed on BSE and NSE since October 15, 2019.
- The Issue was authorised and approved by our Board of Directors on April 30, 2024. Our Shareholders have approved the Issue by way of a special resolution on June 10, 2024.
- Our Company has received in-principle approvals in terms of Regulation 28(1) of the SEBI Listing Regulations from each of BSE and NSE on August 26, 2024, to list the Equity Shares issued pursuant to the Issue on the Stock Exchange. We will apply for final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges after Allotment of the Equity Shares in the Issue.
- Copies of our Memorandum and Articles of Association will be available for inspection between 10:00 am to 5:00 pm on any weekday (except Saturdays and public holidays) during the Issue Period at our Registered Office.
- Our Company confirms that it is in compliance with the minimum public shareholding requirements as specified in the SCRR.
- The Floor Price is ₹ 17.51 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of our Shareholders accorded through their special resolution passed on June 10, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
- Our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.
- Except as disclosed in this Placement Document, there are no material litigation pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue. For further details, see “Legal Proceedings” on page 151.
- The Company and the BRLM accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.
- Ms. Priya Manoj Dedhia is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

Address: Bellad Bagewadi, Taluk Hukkeri, District Belgaum, Karnataka- 591305.

Tel. No.: +91 – 8333 – 251251

Email: cs@vsil.co.in

MATERIAL DEVELOPMENTS

Except as stated in this Placement Document and to our knowledge, no circumstances have arisen since March 31, 2024 which materially affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets.

FINANCIAL STATEMENTS

Unaudited Standalone Financial Results for the quarter ended June 30, 2024
Audited Standalone Financial Statements for the Financial Year ended March 31, 2024
Audited Standalone Financial Statements for the Financial Year ended March 31, 2023
Audited Standalone Financial Statements for the Financial Year ended March 31, 2022



M/s. P. G. GHALI & CO.

Chartered Accountant

Flat No.1, DRK Empire, 3rd Floor, Above Reliance Trends, Khanapur Road,
Tilakwadi, BELGAUM - 590 006.

E mail : pggghalico@gmail.com, capraveenghali@gmail.com

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Web Site : www.pggghalico.co.in

Auditor's Report on Standalone Unaudited Quarterly and Year to date Financial Results of "VISHWARAJ SUGAR INDUSTRIES LIMITED" Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO
THE BOARD OF DIRECTORS OF
VISHWARAJ SUGAR INDUSTRIES LIMITED
BELLAD BAGEWADI
DIST: BELAGAVI

We have reviewed the accompanying statement of Standalone unaudited financial results of VISHWARAJ SUGAR INDUSTRIES LIMITED for the Quarter ended 30th June,2024 and for the period from 1st April, 2024 to 30th June, 2024. The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations").

This Statement is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS - 34") notified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial Statements based on our review.

We conducted our review of the Statement in accordance with the standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquires of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian accounting standards and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended) including the manner in which it is to be disclosed, or that it contains any material misstatements.

The financial results include the results for the quarter ended March 31, 2024 being the balancing figures between the audited figures in respect of the full financial year ended 31st March,2024 and the published unaudited year to date figures up to 31st December,2023. These figures were subject to limited review by us as required under the Listing regulations. Our opinion is not modified in respect of the matters stated above.

For M/s. P.G Ghali & Co.,
Chartered Accountants

FRN.011092S

P.R.C. 017013



(CA. Praveen P. Ghali)
Partner

M. No. 215756

UDIN:24215756BKATMQ4908

Place: Belagavi
Date: 14-08-2024

Vishwaraj Sugar Industries Limited
Registered Office: Bellad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305
(CIN:L85110KA1995PLC017730)

Financial results for the quarter ended June 30,2024 (Un-Audited)

(Rs.in Lakhs)

Sl.No.	Particulars	<- Quarter Ended ->			Year ended
		30.06.2024	31.03.2024	30.06.2023	31.03.2024
		Un Audited	Audited	Un Audited	Audited
1	Income				
	a) Revenue from operations	10,125.43	16,371.08	14,170.77	54,970.30
	Total Revenue from operations	10,125.43	16,371.08	14,170.77	54,970.30
	b) Other income	98.20	63.62	64.33	250.21
	Total Income	10,223.63	16,434.70	14,235.10	55,220.51
2	Expenses				
	a) Cost of materials consumed	(69.80)	13,548.35	(27.81)	36,551.76
	b) Changes in inventories	9,580.69	(1,689.48)	12,228.18	2,708.57
	c) Other Manufacturing expenses	510.38	864.68	958.25	4,867.13
	d) Employee benefits expense	463.13	524.89	463.49	2,064.88
	e) Finance costs	736.36	931.79	748.88	3,049.61
	f) Depreciation and amortization expense	397.60	374.41	398.16	1,590.54
	g) Other expenses	334.04	871.21	379.96	2,159.65
	Total Expenses (a to g)	11,952.40	15,425.84	15,149.10	52,992.15
3	Profit before tax (1-2)	(1,728.77)	1,008.86	(914.00)	2,228.36
4	Tax expense				
	Current tax	-	630.08	-	630.08
	Excess Tax Provision Reversed	-	-	-	-
	Deferred tax	-	148.51	-	148.51
5	Net Profit for the period	(1,728.77)	230.28	(914.00)	1,449.78
6	Other comprehensive income (OCI)				
	a) (i) Items that will not be reclassified to profit or loss	-	10.86	-	10.86
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	-	(3.68)	-	(3.68)
	b) (i) Items that will be reclassified to profit or loss	-	-	-	-
	(ii) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-
	Total other comprehensive income	-	7.18	-	7.18
7	Total comprehensive income (5+6)	(1,728.77)	237.46	(914.00)	1,456.96
8	Paid-up Equity Share Capital (Rs.2/- per Equity Share)	3,755.60	3,755.60	3,755.60	3,755.60
9	Other Equity				23,073.51
10	Earnings per share (Face Value of Rs.2/- each) (not annualised):				
	(a) Basic	(0.92)	0.13	(0.49)	0.78
	(b) Diluted	(0.92)	0.13	(0.49)	0.78

For Vishwaraj Sugar Industries Limited

Mukesh Kumar
Mukesh Kumar
Executive Director



Vishwaraj Sugar Industries Limited			
Registered Office: Ballad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305 (CIN:L85110KA1995PLC017730)			
Statement of Assets and Liabilities As at 30.06.2024 (Unaudited)			
(Rs.in Lakhs)			
Sl.No.	Particulars	As at June 30.2024	As at March 31.2024
		Un Audited	Audited
I	Assets		
	Non-current assets		
(a)	Property plant and Equipment	28,267.98	28,664.68
(b)	Right of use Assets	-	-
(c)	Capital Work Inprogress	14,047.30	12,429.31
(d)	Intangible assets	-	-
(e)	Financial assets		
	(i) Investments	130.77	130.77
	(ii) Other financial assets	376.97	372.25
(f)	Deferred tax Assets (net)	-	-
	Total non current assets	42,823.02	41,597.02
	Current Assets		
(a)	Inventories	18,037.48	27,653.31
(b)	Financial assets		
	(i) Trade receivables	690.27	4,063.85
	(ii) Cash and cash equivalent	167.70	119.27
	(iii) Bank Balances other than (ii) above	-	-
	(iv) Other financial assets	-	-
(c)	Other current assets	5,357.07	6,483.25
	Total current assets	24,252.51	38,319.68
	TOTAL ASSETS	67,075.54	79,916.70
II	EQUITY AND LIABILITIES		
	Equity		
(i)	Equity Share Capital	3,755.60	3,755.60
(b)	Other Equity	21,344.75	23,073.51
	Total Equity	25,100.35	26,829.11
	Liabilities		
	Non-current liabilities		
(a)	Financial Liabilities		
	(i) Borrowings	8,833.88	7,465.67
	(ii) Lease Liabilities	-	-
(b)	Long Term Provisions	331.51	331.51
(c)	Deferred tax liabilities (net)	3,665.64	3,665.64
	Total non-current liabilities	12,831.03	11,462.83
	Current liabilities		
(a)	Financial Liabilities		
	(a) Borrowings	21,869.14	29,086.39
	(b) Lease Liabilities	-	-
	(c) Trade payables		
	(i) Total o/s dues of the MSME	-	-
	(ii) Trade Payables other than (i) above	4,820.65	9,790.85
	(d) Other financial liabilities	1,099.67	1,169.63
(b)	Provisions	1,025.55	1,025.55
(c)	Other current liabilities	320.15	552.34
(d)	Current Tax Liabilities (Net)	-	-
	Total current liabilities	29,144.17	41,624.76
	TOTAL EQUITY AND LIABILITIES	67,075.54	79,916.70

For Vishwaraj Sugar Industries Limited

Mukesh Kumar
Mukesh Kumar
Executive Director



Vishwaraj Sugar Industries Limited			
Registered Office: Bellad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305			
(CIN:L85110KA1995PLC017730)			
Cash Flow Statement for the Quarter ended Jun 30,2024 (Unaudited)			
(Rs.in Lakhs)			
Sl.No	Particulars	Three Months ended 30.06.2024	Year ended 31.03.2024
I	Cash Flows from Operating Activities		
	Net profit before tax	(1,728.77)	2,228.36
	Adjustments for :		
	Depreciation and amortization expense	397.60	1,590.54
	Finance Cost	736.36	3,049.61
	Dividend Income	-	(6.55)
	Operating profit before working capital changes	(594.81)	6,861.97
	Movements in Working Capital		
	(Increase)/Decrease in Trade Receivables	3,373.58	266.39
	(Increase)/Decrease in Other financial assets	(4.72)	82.07
	(Increase)/Decrease in Inventories	9,615.83	2,651.97
	(Increase)/Decrease in Other Current Assets	1,126.19	445.24
	(Increase)/Decrease in Other Non Current Assets	-	-
	Increase/(Decrease) in Trade Payables	(-,970.20)	3,653.73
	Increase/(Decrease) in Other financial liabilities	(69.96)	743.51
	Increase/(Decrease) in Other Current liabilities	(223.19)	20.12
	Increase/(Decrease) in Long Term Provisions	-	38.58
	Increase/(Decrease) in Short Term Provisions	-	252.22
	Changes in Working Capital	8,847.53	8,153.84
	Cash generated from operations	8,252.72	15,015.80
	Interest received on Deposits		
	Direct Taxes Paid	-	(630.08)
	Net Cash from operating activities (A)	8,252.72	14,385.72
II	Cash flows from Investing Activities		
	Dividends Received	-	6.55
	Purchase of Fixed Assets (Including CWIP)	(1,618.88)	(12,587.69)
	Sale of Fixed Assets	-	112.25
	Purchase/Sale of Investment	-	-
	Net Cash used in Investing Activities	(1,618.88)	(12,468.89)
III	Cash flows from/(used in) Financing Activities		
	Proceeds from Long term borrowings	(536.53)	(699.67)
	Repayment/(Proceeds) of/from Short-term borrowings	(3,312.52)	1,692.88
	Interest paid	(736.36)	(3,049.61)
	Dividend Paid	-	-
	Share Capital	-	-
	Share Premium	-	-
	Net Cash used in Financing Activities	(6,585.41)	(2,056.40)
IV	Net Increase/(Decrease) in cash and cash equivalents	48.43	(139.57)
	Cash and Cash equivalents at the beginning of the year	119.27	258.84
	Cash and Cash equivalents at the ending of the year	167.70	119.27

For Vishwaraj Sugar Industries Limited

Mukesh Kumar
Mukesh Kumar
Executive Director



Vishwaraj Sugar Industries Limited
Registered Office: Bellad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305
(CIN:L85110KA1995PLC017730)

SEGMENT INFORMATION FOR THE QUARTER ENDED 30.06.2024 (Unaudited)

(Rs.in Lakhs)

Particulars	<- Quarter Ended ->			Year ended
	30.06.2024 (Unaudited)	31.03.2024 (Audited)	30.06.2023 (Unaudited)	31.03.2024 (Audited)
1. Segment revenue				
-Income from Operations				
(a) Sugar	6,601.68	10,460.95	7,608.97	30,347.68
(b) Co-generation	450.76	1,854.59	1,325.38	4,269.07
(c) Distillery	2,837.91	3,328.63	4,891.44	17,344.45
(d) IML	-	-	-	-
(e) Vinegar Unit	233.88	727.02	339.75	1,395.23
-Other operating income				
(a) Others	1.20	-	5.22	13.87
(b) Unallocable revenue	-	-	-	-
Total				
Less: Inter segment revenue				
Income from operations (net)	10,125.43	16,371.08	14,170.77	54,970.30
	-	-	-	-
2. Segment Results				
(a) Sugar	(477.12)	(3,663.12)	(901.11)	(9,941.40)
(b) Co-generation	(520.43)	1,030.01	(215.61)	2,095.14
(c) Distillery	(108.47)	4,697.67	538.45	12,445.14
(d) IML	32.23	37.26	32.23	112.35
(e) Vinegar Unit	155.52	508.92	417.93	1,569.50
Less: Unallocable (expenditure)/revenue:				
Total				
(a) Finance Costs	736.36	931.79	748.88	3,049.61
(b) Other expenditure (net of other income)	74.14	670.09	37.02	1,002.75
Profit before tax	(1,728.77)	1,008.86	(914.01)	2,228.36
3. Segment Assets				
(a) Sugar	27,402.11	37,397.20	29,790.35	37,397.20
(b) Co-generation	5,807.80	7,550.28	5,985.77	7,550.28
(c) Distillery	29,038.43	28,931.02	18,716.92	28,931.02
(d) IML	336.06	323.56	356.52	323.56
(e) Vinegar Unit	2,318.47	2,589.42	2,597.16	2,589.42
(f) Un-allocable	2,172.67	3,125.22	3,887.13	3,125.22
Total assets	67,075.54	79,916.70	61,333.86	79,916.70
4. Segment liabilities				
(a) Sugar	30,196.72	40,845.43	26,462.15	40,845.43
(b) Co-generation	-	-	-	-
(c) Distillery	2,545.87	1,500.00	-	1,500.00
(d) IML	-	-	-	-
(e) Vinegar Unit	75.23	-	-	-
(f) Un-allocable	34,257.71	37,571.27	34,871.71	37,571.27
Total liabilities	67,075.54	79,916.70	61,333.86	79,916.70

For Vishwaraj Sugar Industries Limited


Mukesh Kumar
Executive Director



Vishwaraj Sugar Industries Limited
Registered Office: Bellad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305
(CIN:L85110KA1995PLC017730)

Financial results for the quarter and Year ended March 31,2024 (Audited)

Sl.No.	Particulars	(Rs.in Lakhs)	
		Year ended	Year ended
		31.03.2024	31.03.2023
		Audited	Audited
1	Income		
	a) Revenue from operations	54,970.30	61,649.49
	Total Revenue from operations	54,970.30	61,649.49
	b) Other Income	250.21	286.47
	Total Income	55,220.51	61,935.96
2	Expenses		
	a) Cost of materials consumed	36,551.76	39,386.29
	b) Changes in inventories	2,708.57	6,313.05
	c) Other Manufacturing expenses	4,867.13	4,892.71
	d) Employee benefits expense	2,064.88	2,026.95
	e) Finance costs	3,049.61	2,753.65
	f) Depreciation and amortization expense	1,590.54	1,597.69
	g) Other expenses	2,159.65	2,410.91
	Total Expenses (a to g)	52,992.15	59,381.25
3	Profit before tax (1-2)	2,228.36	2,554.71
4	Tax expense		
	Current tax	630.08	376.92
	Excess Tax Provision Reversed	-	(347.44)
	Deferred tax	148.51	4,869.81
5	Net Profit for the period	1,449.78	(2,344.58)
6	Other comprehensive income (OCI)		
	a) (i) Items that will not be reclassified to profit or loss	10.86	24.59
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	(3.68)	(3.26)
	b) (i) Items that will be reclassified to profit or loss	-	-
	(ii) Income Tax relating to items that will be reclassified to profit or loss	-	-
	Total other comprehensive income	7.18	21.23
7	Total comprehensive income (5+6)	1,456.96	(2,323.36)
8	Paid-up Equity Share Capital	3,755.60	3,755.60
	(Rs. 2/- per Equity Share)		
9	Other Equity	23,073.51	21,804.34
10	Earnings per share		
	(Face Value of Rs. 2/- each) (not annualised)		
	(a) Basic	0.78	(1.24)
	(b) Diluted	0.78	(1.24)

"As per our report of even date"

For M/s. P. G. Ghali & Co.,
Chartered Accountants
FRN.0110925
P.R.C.No.013376

(CA. Praveen P. Ghali)
Partner
M.No: 215756
UDIN:24215756BKATIQ4389

For and on behalf of Board

(Nikhil U. Katti)
Managing Director
DIN.02505734

(Sheshagiri H Kulkarni)
Chief Financial officer

(Mukesh Kumar)
Executive Director
DIN.02827073

(CS.Priya Dedhia)
Company Secretary

Place: Belgaum,
Date: 11-05-2024



Statement of Assets and Liabilities as at 31.03.2024 (Audited)

(Rs.in Lakhs)

Sl.No.	Particulars	As at March 31,2024	As at March 31,2023
		Audited	Audited
I	Assets		
	Non-current assets		
(a)	Property plant and Equipment	28,664.68	29,807.16
(b)	Right of use Assets	-	-
(c)	Capital Work Inprogress	12,429.31	401.93
(d)	Intangible assets	-	-
(e)	Financial assets	-	-
	(i) Investments	130.77	130.77
	(ii) Other financial assets	372.25	445.90
(f)	Deferred tax Assets (net)	-	-
	Total non current assets	41,597.02	30,785.76
	Current Assets		
(a)	Inventories	27,653.31	30,305.28
(b)	Financial assets	-	-
	(i) Trade receivables	4,063.85	4,330.24
	(ii) Cash and cash equivalent	119.27	169.50
	(iii) Bank Balances other than (ii) above	-	89.35
	(iv) Other financial assets	-	8.43
(c)	Other current assets	6,483.25	6,928.49
	Total current assets	38,319.68	41,831.29
	TOTAL ASSETS	79,916.70	72,617.05
II	EQUITY AND LIABILITIES		
	Equity		
(a)	Equity Share Capital	3,755.60	3,755.60
(b)	Other Equity	23,073.51	21,804.34
	Total Equity	26,829.11	25,559.94
	Liabilities		
	Non-current liabilities		
(a)	Financial Liabilities:		
	(i) Borrowings	7,465.67	8,236.09
	(ii) Lease Liabilities	-	-
(b)	Long Term Provisions	331.51	300.12
(c)	Deferred tax liabilities (net)	3,665.64	3,517.13
	Total non-current liabilities	11,462.83	12,053.34
	Current liabilities		
(a)	Financial Liabilities		
	(a) Borrowings	29,086.39	27,322.76
	(b) Lease Liabilities	-	-
	(c) Trade payables	-	-
	(i) Total o/s dues of the MSME	-	-
	(ii) Trade Payables other than (i) above	9,790.85	6,137.12
	(d) Other financial liabilities	1,169.63	426.13
(b)	Provisions	1,025.55	585.55
(c)	Other current liabilities	552.34	532.22
(d)	Current Tax Liabilities (Net)	-	-
	Total current liabilities	41,624.76	35,903.78
	TOTAL EQUITY AND LIABILITIES	79,916.70	72,617.05
		(0.00)	(0.00)

"As per our report of even date"

For M/s. P. G. Ghali & Co.,

Chartered Accountants

FRN.011092S

P.R.C.No.013376

(CA. Praveen P. Ghali)

Partner

M.No: 215766

UDIN:24215756BKATI04389

Place: Belgaum.

Date: 11-05-2024

For and on behalf of Board

(Nikhil U. Katti)

Managing Director

DIN.02505734

(Sheshagiri H Kulkarni)

Chief Financial officer

(Mukesh Kumar)

Executive Director

DIN.02827073

(CS.Priya Dedhia)

Company Secretary



Cash Flow Statement for the Year ended March 31, 2024 (Audited)

(Rs.in Lakhs)

SL.No	Particulars	Year ended	Year ended
		31.03.2024	31.03.2023
I	Cash Flows from Operating Activities		
	Net profit before tax	2,228.36	2,554.71
	Adjustments for :		
	Depreciation and amortization expense	1,590.54	1,597.69
	Finance Cost	3,049.61	2,753.65
	Dividend Income	(6.55)	(7.87)
	Operating profit before working capital changes	6,861.97	6,898.18
	Movements in Working Capital		
	(Increase)/Decrease in Trade Receivables	266.39	(1,105.73)
	(Increase)/Decrease in Other financial assets	82.07	61.16
	(Increase)/Decrease in Inventories	2,651.97	6,374.53
	(Increase)/Decrease in Other Current Assets	445.24	(3,153.53)
	(Increase)/Decrease in Other Non Current Assets	-	(0.03)
	Increase/(Decrease) in Trade Payables	3,653.73	(3,238.57)
	Increase/(Decrease) in Other financial liabilities	743.51	(213.97)
	Increase/(Decrease) in Other Current liabilities	20.12	(75.92)
	Increase/(Decrease) in Long Term Provisions	38.58	10.92
	Increase/(Decrease) in Short Term Provisions	440.00	(321.05)
	Changes in Working Capital	8,341.62	(1,662.19)
	Cash generated from operations	15,203.59	5,235.99
	Interest received on Deposits		
	Direct Taxes Paid	(630.08)	(29.48)
	Net Cash from operating activities (A)	14,573.51	5,206.51
II	Cash flows from Investing Activities		
	Dividends Received	6.55	7.87
	Purchase of Fixed Assets (Including CWIP)	(12,587.69)	(1,845.45)
	Sale of Fixed Assets	112.25	-
	Purchase/Sale of Investment	-	-
	Net Cash used in Investing Activities	(12,468.89)	(1,837.58)
III	Cash flows from/(used in) Financing Activities		
	Proceeds from Long term borrowings	(699.67)	(733.23)
	Repayment/(Proceeds) of/from Short-term borrowings	1,692.88	(751.47)
	Interest paid	(3,049.61)	(2,753.65)
	Dividend Paid	(187.78)	(187.78)
	Share Capital	-	-
	Share Premium	-	-
	Net Cash used in Financing Activities	(2,244.18)	(4,426.13)
IV	Net Increase/(Decrease) in cash and cash equivalents	(139.57)	(1,057.21)
	Cash and Cash equivalents at the beginning of the year	258.84	1,316.05
	Cash and Cash equivalents at the ending of the year	119.27	258.84

"As per our report of even date"

For M/s. P. G. Ghali & Co.,

Chartered Accountants

FRN.011892S

P.R.C.No.013376

(CA. Praveen P. Ghali)

Partner

M.No: 215756

UDIN:24215756BKATIQ4389

For and on behalf of Board

(Nikhil U. Katti)

Managing Director

DIN.02505734

(Sheshagiri H Kulkarni)

Chief Financial officer

(Mukesh Kumar)

Executive Director

DIN.02827073

(CS.Priya Dedhia)

Company Secretary

Place: Belgaum.

Date: 11-05-2024



Vishwaraj Sugar Industries Limited

Registered Office: Bellad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305

(CIN:L85110KA1995PLC017730)

SEGMENT INFORMATION FOR THE QUARTER AND YEAR ENDED 31.03.2024 (Audited)

(Rs.in Lakhs)

Particulars	Year ended	Year ended
	31.03.2024 (Audited)	31.03.2023 (Audited)
1. Segment revenue		
--Income from Operations		
(a) Sugar	30,847.68	37,865.02
(b) Co-generation	4,269.07	4,366.90
(c) Distillery	17,844.45	17,901.03
(d) IML	-	-
(e) Vinegar Unit	1,995.23	1,389.37
--Other operating income		
(a) Others	13.87	127.18
(b) Unallocable revenue		
Total		
Less: Inter segment revenue		
Income from operations (net)	54,970.30	61,649.49
2. Segment Results		
(a) Sugar	(9,941.40)	(13,007.61)
(b) Co-generation	2,095.14	2,298.73
(c) Distillery	12,445.14	15,844.51
(d) IML	112.35	97.52
(e) Vinegar Unit	1,569.50	900.73
Less: Unallocable (expenditure)/revenue:		
Total		
(a) Finance Costs	3,049.61	2,753.65
(b) Other expenditure (net of other income)	1,002.75	825.52
Profit before tax	2,228.36	2,554.71
3. Segment Assets		
(a) Sugar	37,397.20	39,891.71
(b) Co-generation	7,550.28	7,564.92
(c) Distillery	28,931.02	19,853.72
(d) IML	323.56	358.19
(e) Vinegar Unit	2,589.42	2,465.59
(f) Un-allocable	3,125.22	2,482.91
Total assets	79,916.71	72,617.05
4. Segment liabilities		
(a) Sugar	40,845.43	37,032.29
(b) Co-generation	-	-
(c) Distillery	1,500.00	-
(d) IML	-	-
(e) Vinegar Unit	-	-
(f) Un-allocable	37,571.27	35,584.75
Total liabilities	79,916.70	72,617.05

"As per our report of even date"

For M/s. P. G. Ghali & Co.,

Chartered Accountants

FRN.011092S

P.R.C.No.013376

(CA. Praveen P. Ghali)

Partner

M.No: 215766

UDIN:24215756BKATIQ4389

For and on behalf of Board

(Nikhil U. Katti)

Managing Director

DIN.02505734

(Sheshagiri H. Kulkarni)

Chief Financial officer

(Mukesh Kumar)

Executive Director

DIN.02827073

(S.Priya Dedhia)

Company Secretary

Place: Belgaum.

Date: 11-05-2024



2. Property, plant and equipment.

Particulars	Gross carrying value				Accumulated depreciation / impairment				Net carrying value		
	As at	Additions	Disposals	As at	As at	For the year	Impairment for the year	Disposals	As at	As at	
	1 April 2023			31 March 2024	1 April 2023				31 March 2024	31 March 2024	31 March 2023
Land	742.61	-	-	742.61	-	-	-	-	-	742.61	742.61
Factory Buildings	6,071.37	60.93	-	6,132.30	1,268.84	223.00	-	-	1,491.84	4,640.46	4,802.53
Other Building	3,274.67	-	-	3,274.67	370.34	53.80	-	-	424.14	2,850.53	2,904.33
Plant and equipment	28,556.51	467.95	226.19	28,798.27	7,624.80	1,246.72	-	118	8,751.32	20,044.95	20,931.71
Vehicles	589.20	24.67	62.09	551.77	240.25	51.73	-	57.84	234.14	317.63	348.95
Office Equipment	103.56	6.24	-	109.80	58.26	10.95	-	-	69.21	40.58	45.30
Furniture & Fixtures	97.18	0.53	-	97.71	65.44	4.35	-	-	69.79	27.92	31.74
	39,435.10	580.31	288.28	39,707.12	9,627.93	1,590.54	-	176.03	11,042.44	28,664.68	29,807.16
Capital Work in Progress	401.93	12,027.38	-	12,429.31	-	-	-	-	-	12,429.31	401.93
Total	39,837.03	12,587.69	288.28	52,136.44	9,627.93	1,590.54	-	176.03	11,042.44	41,093.99	30,209.09

Note: Depreciation is calculated as per schedule II of Companies act, 2013.

Particulars	Gross carrying value				Accumulated depreciation / impairment				Net carrying value		
	As at	Additions	Disposals	As at	As at	For the year	Impairment for the year	Disposals	As at	As at	
	1 April 2022			31 March 2023	1 April 2022				31 March 2023	31 March 2023	31 March 2022
Land	741.03	2	-	742.61	-	-	-	-	-	742.61	741.03
Factory Buildings	5,583.18	488.19	-	6,071.37	1,047.34	221.50	-	-	1,268.84	4,802.53	4,515.84
Other Building	3,274.67	-	-	3,274.67	316.27	54.07	-	-	370.34	2,904.33	2,958.40
Plant and equipment	27,735.86	820.95	-	28,556.51	6,375.64	1,249.16	-	-	7,624.80	20,931.71	21,159.92
Vehicles	464.63	124.56	-	589.20	185.41	54.84	-	-	240.25	348.95	379.23
Office Equipment	98.71	4.85	-	103.56	48.19	10.07	-	-	58.26	45.30	50.51
Furniture & Fixtures	93.80	3.38	-	97.18	57.39	8.05	-	-	65.44	31.74	36.41
	37,991.58	1,443.52	-	39,435.10	8,630.25	1,597.69	-	-	9,627.93	29,807.16	29,961.33
Capital Work in progress	-	401.93	-	401.93	-	-	-	-	-	401.93	-
Total	37,991.58	1,845.45	-	39,837.03	8,630.25	1,597.69	-	-	9,627.93	30,209.09	29,961.33

* The Capital WIP amount reflected in the Disposals column is actually the amount transferred from Capital WIP to the Respective Capital Assets when capitalized.



1. Income

(Rs.in Lakhs)

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
a) Revenue from operations		
Sales		
Sale of Sugar	30,628.30	37,272.64
Sale of Power	4,269.07	4,366.90
Sale of Ethanol, Spirit and allied Products	17,844.45	17,763.66
Sale of Vinegar	1,995.23	1,389.37
Sale of by-products	219.38	592.38
Sale of others	13.87	127.18
Other Operating Revenue		
Ethanol Relief Amount	-	137.37
Total Revenue from operations	54,970.30	61,649.49
b) Other Income		
Dividend Income	6.55	7.87
Rental Income	165.44	166.01
Insurance Claims and Income	34.58	38.05
Other Operating Income	43.64	74.54
Total Other Income	250.21	286.47
2. Expenses		
a) Cost of materials consumed		
Raw Materials Consumed		
Cane Purchase	28,528.87	29,673.51
Harvesting & Transportation Charges	7,166.46	8,544.04
H & T Contractor Diesel Rate Difference Charges	380.25	487.69
Rectified Spirit	-	56.17
Discount Received	(1.01)	(0.85)
Input Tax Credit on GST	(745.24)	(814.89)
Stores, Spares, Chemicals & Packing Materials Consumed	-	-
Sugar Bag Expenses	353.25	519.31
Chemicals:	-	-
Distillery Unit	209.71	226.84
Sugar Unit	508.53	593.43
Lab	5.35	3.14
Co-Gen Unit	92.65	66.68
Vinegar Chemicals	52.95	31.22
Total Cost of materials consumed	36,551.76	39,386.29
b) Changes in inventories		
Raw Material		
Opening		
Mollasses	9,749.86	8,783.39
Bagassee	1,247.03	1,738.71
Syrup	784.52	753.57
Total	11,781.41	11,275.67
Closing		
Mollasses	7,311.02	9,749.86
Bagasse	710.16	1,247.03
Syrup	-	784.52
Total	8,021.19	11,781.41
Changes in Inventories of Raw Materials	3,760.22	(505.73)



Work in Process		
Opening		
Closing		
Changes in Inventories of Work in Process	-	-
Finished Goods		
Opening		
Sugar	16,174.20	23,012.70
Rectified Spirit	69.79	157.75
M.G Spirit	5.25	2.88
Extra Neutral Spirit	82.60	82.60
Compost	819.78	568.09
Vinegar	105.18	94.34
Ethanol	165.39	304.35
Rectified Spirit (Vinegar Unit)	133.32	151.59
	17,555.51	24,374.29
Closing		
Sugar	16,264.16	16,174.20
Rectified Spirit	141.26	69.79
M.G Spirit	-	5.25
Extra Neutral Spirit	82.57	82.60
Compost	996.32	819.78
Vinegar	113.57	105.18
Ethanol	886.93	165.39
Rectified Spirit (Vinegar Unit)	122.32	133.32
Total	18,607.15	17,555.51
Changes in Inventories of Finished Goods	(1,051.64)	6,818.78
Total Changes in Inventories	2,708.57	6,313.05
c) Other Manufacturing expenses		
Processing, Transportation and Other Charges		
Coal Transportation Charges	57.28	153.16
Water Transportation Charges	264.88	280.94
Bagasse Cleaning & Ash Carrying Charges	26.29	25.12
Transport & Other Charges of H & T Contractors	192.51	211.55
Cane Ceiling Charges	29.77	32.24
Cane Yard Repair & Maintenance	4.82	12.13
Compost Charges & Compost Yard Maintenance	30.56	49.58
Hamall Charges	48.15	26.07
Sugar Bagging Charges	24.94	27.67
Sulphar & Lime Lifting Charges	10.28	11.81
Vinegar Charges	0.13	0.09
Spirit Transportation	5.31	5.55
Coal Dosing Charges	-	8.43
Coal Handling & Transportation	46.23	62.66
Ash Transportation Charges	25.94	28.45
Ethanol Transportation Charges	822.24	399.88
Bagasse Dosing Charges	136.42	162.00
Sugar Transportation	31.94	82.99
Organic Compost Transportation Charges	-	1.00
Pressmud Transportation	1.46	1.71
IML Material Write Off	26.44	-
Total	1,785.60	1,583.03



Power & Fuel		
Coal	1,069.84	1,278.20
Electricity Charges	296.42	315.03
HESCOM KVARH Charges	29.83	47.14
Total	1,396.09	1,640.37
Repairs - Plant & Machinery		
Diesel & Oil For D G Set	10.74	12.73
Diesel Pump Maintainance	0.15	0.61
Oil & Lubricants (Co Gen)	9.20	3.30
Oil & Lubricants (Distillery)	3.60	2.08
Oil & Lubricants (Sugar)	43.36	43.77
Repairs to Tools& Tackles	1.21	1.57
R & M of Bio Mas Plant & Machinery	10.62	-
R & M of Buldings	4.31	-
R & M of Bullak Carts	7.12	35.53
R & M of Co-Gen Plant & Machinery	275.87	198.26
R & M of Computers & Printers	9.17	7.61
R & M of CPU Plant & Machinery	10.77	5.93
R & M of DG Set	0.30	-
R & M of Distillery Plant & Machinery	110.14	84.42
R & M of Electrical Machinery	2.48	1.27
R & M Of Godown	0.02	1.20
R & M of Instrument Machinery	1.11	-
R & M of Jack Well	51.03	27.20
R & M of Mill House	443.91	459.26
R & M OF Mollasses Tank	27.15	-
R & M of Staff Quaters	1.33	1.04
R & M of Sugar Boiling House	500.77	612.41
R & M of Sugar House	35.25	44.93
R & M of Sugar Plant & Machinery	33.79	43.91
R & M of Temporary Sheds	4.45	19.51
R & M of Vinegar Plant & Machinery	54.61	23.68
R & M of Weight Bridge	22.89	24.52
R & M of ZEROX MACHINE	-	0.02
Sugar ETP Repair & Maintenance	5.30	12.51
Work Shop Maintainance	4.77	2.01
Total	1,685.44	1,669.30
Total Other Manufacturing expenses	4,867.13	4,892.71
d) Employee benefits expense		
Salaries and Wages		
Co-Gen Unit	130.73	132.04
Distillery	171.33	162.91
Sugar Unit	1,269.63	1,174.28
Vinegar Unit	18.31	17.15
Director Remuneration	119.00	164.37
Company Secretary Salary	3.00	3.00
Total	1,711.99	1,653.76
Contribution to Provident and other Funds		
Contribution to Provident Fund	78.43	74.33
Gratuity	52.25	49.31
Total	130.68	123.64



Staff Welfare Expenses		
Medicines Expenses (Staff)	10.47	6.89
Medical Expenses (Beed Gang)	10.94	20.38
Pooja Expenses	3.79	0.57
Incentive to Employees	180.60	184.43
PF Administrative Charges	3.50	3.48
Beed Gang Compensation	1.95	17.99
Staff Welfare Expenses	1.61	9.83
Staff Dress	9.34	5.98
Total	222.20	249.55
Total Employee benefits expense	2,064.88	2,026.95
e Finance costs		
Interest Expenses		
Interest on Cash Credit (BOI)	292.80	354.67
Interest on Cash Credit WHR (SBI)	467.79	449.98
Interest on Hyp Loan on Vehicles	6.74	4.92
Interest on BDCC Bank Bgm Loan (Co Gen)	-	30.88
Interest on BDCC Bank Bgm Loan (Co Gen) (Additional)	-	8.68
Interest on BDCC Bank Sugar Term Loan	-	16.03
Interest on H & T Loan	826.08	835.91
Interest on BDCC Bank BB Distillery Exp Term Loan	-	21.64
Interest on BDCC Bank Soft Loan BB	-	48.24
Interest on BOI GECL Loan	271.24	322.31
Interest on BDCC Bank BB HYP Loan	-	40.22
Interest on SVC Co-Operative Bank Term Loan	451.97	453.16
Interest on SVC Co-Operative Bank Hyp Loan	602.15	20.90
Interest on BDCC Bank Bridge Loan	-	-
Total	2,918.78	2,607.54
Less: Interest Received		
Interest on Deposit	1.09	4.91
Interest on Deposits (HRECS)	0.07	0.07
Interest on SBI Mutual Fund	0.25	-
Total	1.41	4.98
Net Interest Expenses	2,917.37	2,602.56
Other Borrowings Cost		
Bank Charges & Commission	5.38	6.02
Bank Loan Process Fees	120.11	140.68
Bank Rating Charges	5.90	4.13
Net Gain/Loss on Foreign Currency Transactions	0.86	0.26
Total	132.24	151.09
Total Interest Expenses	3,049.61	2,753.65
f) Depreciation and amortization expense	1,590.54	1,597.69
g) Other expenses		
Rent		
Cane Office Rent	6.24	5.52
Rent on Building	3.14	2.83
Total	9.37	8.35



Advertisement, Publicity & Sales Promotion		
Advertisement Expenses	3.75	7.21
Marketing & Sale Expenses of Vinegar	177.42	235.94
Total	181.17	243.15
Insurance		
Factory Insurance	189.18	133.68
Vehicle Insurance	7.60	8.22
Total	196.78	141.90
Travelling Expenditure		
TA & Da Expenses	30.94	26.54
Total	30.94	26.54
Vehicle Running & Maintenance		
Diesel for Vehicles	201.04	219.46
Petrol Expenses (Two Wheeler)	27.97	25.91
Tol Naka Charges	61.83	83.56
Two Wheeler Repair & Maintenance	5.87	3.90
Vehicle Repair & Maintenance	47.12	53.25
Total	343.84	386.08
Printing & Stationery		
Printing & Stationery (C)	0.57	0.24
Printing & Stationery (D)	1.01	0.62
Printing & Stationery (S)	7.16	6.55
Total	8.74	7.41
Communication Expenses		
Mobile Charges	6.43	6.25
Telephone Expenses	1.31	1.54
Total	7.75	7.78
Legal, Professional & Consultancy Charges		
Auditors Remuneration - As Auditors	5.90	6.77
Consultancy & Professional Fees	33.89	28.68
Cost Audit Fees	1.77	1.77
Cane Management Software Service Charges	3.32	2.54
Consultancy Fee (Electric Sale)	16.67	-
Kashruth Certificate Fees	5.00	4.50
Tax Consultation	2.36	2.72
Meeting Sitting Fees	2.20	1.80
IPO Expenses Writeoff 20%	66.60	59.89
Annual Custody Fees	3.15	1.58
Issuer Fees	15.10	8.31
R & T Charges	2.33	2.13
Listing Fees	2.49	6.96
Legal Fees	8.18	8.91
Media Consultancy Charges	24.78	11.80
BRC Food Audit Fees	2.37	1.88
Internal Audit Fees	3.54	-
Share Split Charges	1.23	-
Total	200.87	150.23
Discount, Rebate & Commission		
Commission on Sugar Sales	-	177.00
Discount on Farmer Sugar Sales	61.26	63.98
Power Sales IEX Charges	53.53	252.75
Discount, Rebate & Commission on Power sale	13.19	8.42
Open Access Deviation Charges	242.57	62.19
Total	370.54	564.34
Freight Charges	15.93	10.39



Donation	2.00	2.00
Licence Fees & Taxes		
Factory Licence Fees	2.53	2.53
M1 Licence Fees	0.00	0.01
M2 Licence Fees.	0.01	0.02
Sugar Crushing Licence Fees	3.00	0.25
Water Licence Renewal Fees	-	2.80
Analysis Fees	3.78	6.40
Factory Boiler Inspector Fees	2.50	0.82
Gram Panchayati Tax	-	1.74
Consent Fee(KSPCB)	1.25	5.00
Customs Duty on Coal	-	0.30
GST Paid	27.23	35.04
Legal Metrology Fees	1.60	1.93
Professional Tax (Factory)	0.03	0.03
ROC Fees	0.04	3.75
Vehicle Tax	0.86	4.12
Postage & Stamps	2.18	0.42
Stamp Duty & Stamp Papers	30.62	25.32
Customs Duty on Vinegar Material	12.90	10.37
Electrical Inspection Fees	2.62	2.62
Petroleum Licence Fess	-	5.00
TDS on Foreign Payments.	1.00	1.04
Website Charges	1.84	13.94
Trade Mark Expenses	-	1.07
LEI Annual Renewal Fees	0.04	0.04
Interest on TDS & TCS	0.03	0.00
Cane Purchase Tax Write Off	20.43	19.89
IEX Registration Charges	-	1.53
Right Issue Charges	23.60	38.35
SLDC Charges	0.56	3.01
Fire Fitter Fees.	-	0.50
Interest on Custom Duty	-	35.58
Halal Certification Charges	-	0.30
EPCG LICENSE EXPENSES	-	0.02
Interest & OtherCharges on PF	-	0.00
Income Tax	83.94	14.73
Firewall Licence Fees	-	1.06
I M L Basic Excise Duty	-	7.21
Karnataka Udyog Mitra Fees (Single Window)	-	2.36
Right Issue Monitoring Fees	-	10.62
Excise Duty (Penalty)	0.93	-
FSSC-22000 Audit Fees	1.26	-
Interest on GST	20.90	-
Contract Labour Licence Fees	0.04	-
Land Valueuation Fees	0.29	-
Membership Fees	0.25	-
Total	246.24	259.72



Other Miscellaneous Exp		
ADM Office Expenses	2.94	5.79
Annual Genaral Meeting Expenses	4.72	7.65
Bangalore House Expenses	5.25	1.26
Belgaum Corporate House Expenses	39.34	28.66
Civil Expenses	26.02	31.54
Cleaning and Housekeeping Service Charges	119.35	133.85
Chemical Fees	0.02	0.02
Delegation Fees	0.11	-
Dividend Distribution Charges	1.71	3.92
Garden Maintenance	1.83	2.63
Guest House Expenses	12.30	11.09
Internet Charges	4.60	4.64
Miscelleneous Exp	2.19	1.53
News Papers Expenses	0.07	0.14
O & M Charges (HESCOM)	0.99	0.70
Painting Expenses	0.35	8.27
Photo Expenses	0.20	0.43
Sugar Godown Colletral Security Charges	28.21	42.02
Sugar Cane Seeds Narasari Expenses	0.19	0.35
Co Gen Meter Testing Fees	0.24	0.48
Olst Stock Penaly Stock (KSBCL)	0.62	0.07
Seminar Lunch Expenses	-	2.88
H & T Advance Writeoff	-	5.79
Per Tonne One Rupee Contribution	10.59	-
Total	261.84	293.70
Profit/ Loss on sale of Assets		
Loss on Sale of Machinery	83.99	-
Profit on Slae of Vechiles	(8.20)	-
Total	75.79	-
Expected Credit Loss	177.83	249.21
CSR Expenses	30.00	60.11
Total Other expenses	2,159.65	2,410.91



Financial assets

(Rs.in Lakhs)

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
(i) Investments		
Bellad Bagewadi Urban Souhard Sahakari Shares	0.10	0.10
BDCC Bank Shares	130.64	130.64
SVC Bank Shares	0.03	0.03
Total Investments	130.77	130.77
(ii) Other financial assets		
Security Deposits		
Building Deposit (Bengaluru)	2.20	2.20
Electric Deposit	1.51	1.51
H P C I Deposit	0.02	0.02
Indian Gas Deposit	0.03	0.03
Telephone Deposit	0.31	0.31
Refundable Deposit N U K	200.00	200.00
IPO Preliminary Expenses	-	66.60
Cane Purchase Tax Expenses	142.99	163.42
Preliminary Expenses Distillery Exp	24.19	11.80
Bangalore Flat Maintenance Deposit	1.00	-
Total Other financial assets	372.25	445.90
Inventories		
Raw Material	8,021.19	11,781.41
Stores & Spare Parts	1,024.97	968.37
Finished Goods	18,607.15	17,555.51
Stock in Process	-	-
Total Inventories	27,653.31	30,305.28
Financial assets		
(i) Trade receivables	4,063.85	4,330.24
(ii) Cash and cash equivalent		
Cash in Hand	6.50	7.08
Cash at Banks	112.77	162.42
Total Cash and cash equivalent	119.27	169.50
(iii) Other Bank Balances		
Margin Money of Bank Guarantee	-	89.35
Total Other Bank Balances	-	89.35
(iv) Other financial assets		
Interest Receivable	-	8.43
Total Other financial assets	-	8.43
Other current assets		
Deposits/Balances with Statutory Authorities		
Input Tax Credit on GST	1,001.19	161.16
Income Tax Receivables	69.64	49.70
TDS Receivables	54.77	43.35
Advance Income Tax (MAT)	150.00	400.00
TCS Receivables	0.20	0.64
Total	1,275.80	654.85
Other Current Assets (includes Advances to Suppliers & Services)		



Other Current Assets (includes Advances to Suppliers & Services)		
Purchase Advances	3,095.17	4,088.90
Cane Purchase Advance	843.41	816.20
Cane Seeds Purchase Advance to Farmers	7.80	7.13
EST Advance (1) A/c	4.76	4.88
Salary Advance	19.86	30.46
Sugar Export Subsidy Receivables	177.65	177.65
H & T Contractors Adv Recoverable	1,032.42	1,146.55
H & T Contractor Diesel Amount Receivable	1.60	1.87
Employees Health Insurance Advance	24.80	-
Total	5,207.45	6,273.64
Total Other current assets	6,483.25	6,928.49
Equity		
Equity Share Capital	3,755.60	3,755.60
Other Equity		
Securities Premium Reserve	2,966.39	2,966.39
Actuarial Gain/ (loss) in OCI	120.96	113.78
Profit And Loss Account Opening Balance	18,911.94	21,444.31
Current Period Profit/(Loss)	1,449.78	(2,344.58)
Interim Dividend Paid	-	(187.78)
Less: Proposed Dividend @ 5%of Paid up Share Capital	-	(187.78)
Less: Proposed Dividend @ 10%of Paid up Share Capital	(375.56)	-
Total Other Equity	23,073.51	21,804.34
Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings		
Term Loans		
Bank of India GECL Loan A/c 014	2,357.33	3,392.22
SVC BANK Hubli Term Loan (1853)	3,500.37	4,395.00
B D C C Bank Bridge Loan	1,500.00	-
	-	-
Interest Free Loan on Coneversion of Purchase Tax	1,937.71	2,214.53
	-	-
Hypothication Loan on Vehicles		
BOI Hyp Loan on Vehicle(Bolero) A/c No.290	19.52	-
BOI Hyp Loan on Vehicle(Innova) A/c No.274	34.77	39.48
S B I Hyp Loan on Vehicle(BoleroZLX) A/c No.351	0.73	4.70
S B I Hyp Loan on Vehicle(Carnival) A/c No.251	19.96	24.14
Total	9,370.40	10,070.07
Less : Current Maturities of Long-Term Debt	1,904.73	1,833.98
Net Term Loans	7,465.67	8,236.09
Long Term Provisions		
Gratuity	331.51	300.12
Total Long Term Provisions	331.51	300.12
Deferred tax liabilities (net)		
Opening	3,517.13	(1,352.68)
Add: Deferred Tax Liabilities during the year	148.51	4,869.81
Deferred Tax Liabilities (Net)	3,665.64	3,517.13



Current Liabilities		
Financial Liabilities		
(a) Borrowings		
Working Capital Loan		
Cash Credit (Bank of India) A/c 002	3,085.69	2,547.23
Cash Credit (Bank of India) A/c 58	-	(78.59)
Cash Credit (Bank of India) A/c 003	-	(0.19)
Cash Credit (Bank of India) A/c 004	5,684.65	90.73
SBI WHR RDL Loan A/c No.135	-	3,500.86
SBI WHR RDL Loan A/c No.456	-	3,000.74
SBI WHR RDL Loan A/c No.492	-	1,250.33
SBI WHR RDL Loan A/c No.578	-	750.04
SBI WHR RDL Loan A/c No.636	-	418.50
SBI WHR RDL Loan A/c No.696	-	549.68
Cash Credit Loan (SVC Bank) A/c No.110	5,660.96	5,467.45
Cash Credit (SBI) Demand Loan A/c No.4628	29.32	-
Cash Credit (SBI) Demand Loan A/c No.1035	594.89	-
Cash Credit (SBI) Demand Loan A/c No.1737	1,439.25	-
Cash Credit (SBI) Demand Loan A/c No.2225	1,337.12	-
Cash Credit (SBI) Demand Loan A/c No.6535	1,486.79	-
Harvesting & Transport Loan	-	-
Bank of India	3,892.00	3,992.00
State Bank of India	3,971.00	4,000.00
Current Maturities of Long-term Debt	1,904.73	1,833.98
Total Borrowings	29,086.39	27,322.76
(b) Trade payables		
Sundry Creditors	1,339.53	642.67
Cane Payables	6,021.01	2,995.32
H & T Payable	2,430.31	2,499.12
Total Trade Payables	9,790.85	6,137.12
(c) Other financial liabilities		
Trade Deposits & Advances		
H & T Security Deposit Payable	35.17	37.00
Security Deposits	276.86	50.56
Total	312.03	87.56
Other Liabilities		
Audit Fees Payable	5.00	5.00
Company Secretary Fees Payable	2.99	2.99
Interest Payable on Cash Credit Loan (BOI)	24.88	8.82
Interest Payable on H & T Loan	763.86	268.46
Tax Consultation Fees Payable	2.00	2.00
V S L Share Holders Welfare Trust	27.38	27.38
Unclaimed dividend 2020-21	10.42	10.42
Unclaimed dividend 2021-22	13.22	13.22
Unclaimed dividend 2022-23	7.84	0.28
Total	857.60	338.57
Total Other financial liabilities	1,169.63	426.13
Provisions		
Current tax Provision	630.08	376.92
Gratuity Provision	19.91	20.85
Proposed Dividend on Equity shares	375.56	187.78
Total Provisions	1,025.55	585.55



Other current liabilities		
Statutory Dues Payable		
GST Payable	230.11	206.59
Tds & Tcs Payable	72.39	41.50
Provedend Fund Payable	6.70	6.83
Proffessionl Tax (Staff) Payable	0.08	0.36
Total	309.29	255.28
Other Payables		
Company Secretary Salary Payable	10.00	0.25
Director Remuneration Payable	0.25	11.10
Salary Payable A/c	139.31	133.55
Beed Gang & Bullack Cart Transport Charges Payable	93.49	128.04
Employees Insurance Claim Amount Payable	-	4.00
Total	243.05	276.94
Total Other current liabilities	552.34	532.22





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Chartered Accountant

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Independent Auditor's Report on Audit of The Quarterly And Annual Financial Results of VISHWARAJ SUGAR INDUSTRIES LIMITED Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

To
The Board of Directors of
Vishwaraj Sugar Industries Limited

Opinion

We have audited the accompanying annual financial results of VISHWARAJ SUGAR INDUSTRIES LIMITED (the "Company") for the quarter and year ended March 31, 2024 attached herewith, being prepared and submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulation").

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Financial Results:

a. are presented in accordance with the requirement of Regulation 33 of the Listing Regulation in this regard; and

b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the company for the quarter ended March 31, 2024 and for the year ended March 31, 2024.

Basis of Opinion

We conducted our audit of the Financial Results in accordance with the Standards on Auditing ("SAs") notified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the financial results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

Management and Board of Director's Responsibilities for the Financial Results

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the annual financial statements. The Company's Management and the Board of Directors of the Company are responsible for the preparation and presentation of these Financial Results that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 prescribed under section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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





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Chartered Accountant

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judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Financial Results for the quarter and year ended 31st March, 2024.

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▢ Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▢ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. But not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- ▢ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results made by the Management and Board of Directors.
- ▢ Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to



**M/s. P. G. GHALI & CO.**

Chartered Accountant

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the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.

Materiality is the magnitude of misstatements in the Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Results.

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

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

Other Matters

The annual financial results include the results for the quarter ended March 31, 2024 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us as required under the Listing Regulations. Our opinion is not modified in respect of this matter.

For, M/s P G Ghali & Co.,
Chartered Accountants
FRN : 011092S
P.R.C.No. 013376



Date:11-05-2024
Place: Belagavi.

(CA. Praveen P. Ghali)
Partner
M. No: 215756
UDIN: 24215756BKATIQ4389

Vishwaraj Sugar Industries Limited
Registered Office: Bellad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305
(CIN:L85110KA1995PLC017730)

Financial results for the quarter and Year ended March 31,2024 (Audited)

(Rs. In Lakhs)

Sl.No.	Particulars	-< Quarter Ended ->			Year ended	Year ended
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Un Audited	Audited	Audited	Audited
1	Income					
	a) Revenue from operations	16,371.08	10,623.93	19,906.61	54,970.30	61,649.49
	Total Revenue from operations	16,371.08	10,623.93	19,906.61	54,970.30	61,649.49
	b) Other Income	53.62	59.96	78.39	250.21	286.47
	Total Income	16,434.70	10,683.89	19,985.00	55,220.51	61,935.96
2	Expenses					
	a) Cost of materials consumed	13,548.35	23,092.65	13,766.08	36,551.76	39,386.29
	b) Changes in inventories	(1,689.48)	(19,473.89)	1,963.69	2,708.57	6,313.05
	c) Other Manufacturing expenses	864.68	1,626.82	1,267.11	4,867.13	4,892.71
	d) Employee benefits expense	524.89	638.80	572.10	2,064.88	2,026.95
	e) Finance costs	931.79	701.78	642.75	3,049.61	2,753.65
	f) Depreciation and amortization expense	374.41	384.74	373.46	1,590.54	1,597.69
	g) Other expenses	871.21	401.38	1,105.70	2,159.65	2,410.91
	Total Expenses (a to g)	15,425.84	7,372.29	19,690.89	52,992.15	59,381.25
3	Profit before tax (1-2)	1,008.86	3,311.60	294.10	2,228.36	2,554.71
4	Tax expense					
	Current tax	630.08	187.75	376.92	630.08	376.92
	Excess Tax Provision Reversed	-	-	(347.44)	-	(347.44)
	Deferred tax	148.51	-	4,869.81	148.51	4,869.81
5	Net Profit for the period	230.28	3,123.85	(4,605.19)	1,449.78	(2,344.58)
6	Other comprehensive income (OCI)					
	a) (i) Items that will not be reclassified to profit or loss	10.86	-	24.59	10.86	24.59
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	(3.68)	-	(3.36)	(3.68)	(3.36)
	b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income	7.18	-	21.23	7.18	21.23
7	Total comprehensive income (5+6)	237.46	3,123.85	(4,583.96)	1,456.96	(2,323.36)
8	Paid-up Equity Share Capital (Rs.2/- per Equity Share)	3,755.60	3,755.60	3,755.60	3,755.60	3,755.60
9	Other Equity				23,073.51	21,804.34
10	Earnings per share (Face Value of Rs.2/- each) (not annualised)					
	(a) Basic	0.13	1.66	(2.44)	0.78	(1.24)
	(b) Diluted	0.13	1.66	(2.44)	0.78	(1.24)

For Vishwaraj Sugar Industries Limited



Mukesh Kumar
Mukesh Kumar
Executive Director

Statement of Assets and Liabilities as at 31.03.2024 (Audited)

(Rs. In Lakhs)

SL.No.	Particulars	As at March 31,2024	As at March 31,2023
		Audited	Audited
I	Assets		
	Non-current assets		
(a)	Property plant and Equipment	28,664.68	29,807.16
(b)	Right of use Assets		
(c)	Capital Work Inprogress	12,429.31	401.93
(d)	Intangible assets		
(e)	Financial assets		
	(i) Investments	130.77	130.77
	(ii) Other financial assets	372.25	445.90
(f)	Deferred tax Assets (net)		
	Total non current assets	41,597.02	30,785.76
	Current Assets		
(a)	Inventories	27,653.31	30,305.28
(b)	Financial assets		
	(i) Trade receivables	4,063.85	4,330.24
	(ii) Cash and cash equivalent	119.27	169.50
	(iii) Bank Balances other than (ii) above	-	89.35
	(iv) Other financial assets	-	8.43
(c)	Other current assets	6,483.25	6,928.49
	Total current assets	38,319.68	41,831.29
	TOTAL ASSETS	79,916.70	72,617.05
II	EQUITY AND LIABILITIES		
	Equity		
(a)	Equity Share Capital	3,755.60	3,755.60
(b)	Other Equity	23,073.51	21,804.34
	Total Equity	26,829.11	25,559.94
	Liabilities		
	Non-current liabilities		
(a)	Financial Liabilities		
	i) Borrowings	7,465.67	8,236.09
	ii) Lease Liabilities	-	-
(b)	Long Term Provisions	331.51	300.12
(c)	Deferred tax liabilities (net)	3,665.64	3,517.13
	Total non-current liabilities	11,462.83	12,053.34
	Current liabilities		
(a)	Financial Liabilities		
	(a) Borrowings	29,086.39	27,322.76
	(b) Lease Liabilities		
	(c) Trade payables		
	(i) Total vis dues of the MSME		
	(ii) Trade Payables other than (i) above	9,790.85	6,137.12
	(d) Other financial liabilities	1,169.63	426.13
(b)	Provisions	1,025.55	585.55
(c)	Other current liabilities	552.34	532.22
(d)	Current Tax Liabilities (Net)	-	-
	Total current liabilities	41,624.76	35,003.78
	TOTAL EQUITY AND LIABILITIES	79,916.70	72,617.05

For Vishwaraj Sugar Industries Limited



Mukesh Kumar
Mukesh Kumar
Executive Director

Vishwaraj Sugar Industries Limited
Registered Office: Bellad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305
(CIN:L85110KA1995PLC017730)

Cash Flow Statement for the Year ended March 31, 2024 (Audited)

(Rs. In Lakhs)

Sl.No	Particulars	Year ended	Year ended
		31.03.2024	31.03.2023
I	Cash Flows from Operating Activities		
	Net profit before tax	2,228.36	2,554.71
	Adjustments for :		
	Depreciation and amortization expense	1,590.54	1,597.69
	Finance Cost	3,049.61	2,753.65
	Dividend Income	(6.55)	(7.87)
	Operating profit before working capital changes	6,861.97	6,898.18
	Movements in Working Capital		
	(Increase)/Decrease in Trade Receivables	266.39	(1,105.73)
	(Increase)/Decrease in Other financial assets	82.07	61.16
	(Increase)/Decrease in Inventories	2,651.97	6,374.53
	(Increase)/Decrease in Other Current Assets	445.24	(3,153.53)
	(Increase)/Decrease in Other Non Current Assets	-	(0.03)
	Increase/(Decrease) in Trade Payables	3,653.73	(3,238.57)
	Increase/(Decrease) in Other financial liabilities	743.51	(213.97)
	Increase/(Decrease) in Other Current liabilities	20.12	(75.92)
	Increase/(Decrease) in Long Term Provisions	38.58	10.92
	Increase/(Decrease) in Short Term Provisions	440.00	(321.05)
	Changes in Working Capital	8,341.62	(1,662.19)
	Cash generated from operations	15,203.58	5,235.99
	Interest received on Deposits		
	Direct Taxes Paid	(630.08)	(29.48)
	Net Cash from operating activities (A)	14,573.50	5,206.51
II	Cash flows from Investing Activities		
	Dividends Received	6.55	7.87
	Purchase of Fixed Assets (Including CWIP)	(12,587.69)	(1,845.45)
	Sale of Fixed Assets	112.25	-
	Purchase/Sale of Investment	-	-
	Net Cash used in Investing Activities	(12,468.89)	(1,837.58)
III	Cash flows from/(used in) Financing Activities		
	Proceeds from Long term borrowings	(699.67)	(2,725.25)
	Repayment/(Proceeds) of/from Short-term borrowings	1,692.88	1,340.55
	Interest paid	(3,049.61)	(2,753.65)
	Dividend Paid	(187.78)	(187.78)
	Share Capital	-	-
	Share Premium	-	-
	Net Cash used in Financing Activities	(2,244.18)	(4,426.13)
IV	Net Increase/(Decrease) in cash and cash equivalents	(139.57)	(1,057.21)
	Cash and Cash equivalents at the beginning of the year	258.84	1,316.05
	Cash and Cash equivalents at the ending of the year	119.27	258.84

For Vishwaraj Sugar Industries Limited



Mukesh Kumar
Mukesh Kumar
Executive Director

Vishwaraj Sugar Industries Limited
Registered Office: Bellad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305
(CIN:L85110KA1995PLC017730)

SEGMENT INFORMATION FOR THE QUARTER AND YEAR ENDED 31.03.2024 (Audited)

Particulars	~ Quarter Ended ~			(Rs. In Lakhs)	
	31.03.2024 (Audited)	31.12.2023 (Unaudited)	31.03.2023 (Audited)	Year ended 31.03.2024 (Audited)	Year ended 31.03.2023 (Audited)
1. Segment revenue					
--Income from Operations					
(a) Sugar	10,460.95	5,022.40	13,342.42	30,847.68	37,365.02
(b) Co-generation	1,854.59	1,089.10	1,980.07	4,269.07	4,366.90
(c) Distillery	3,328.53	4,041.42	4,089.47	17,844.45	17,901.03
(d) IML	-	-	-	-	-
(e) Vinegar Unit	727.02	465.75	395.15	1,995.23	1,389.37
--Other operating income					
(a) Others	-	5.25	99.50	13.87	127.18
(b) Unallocable revenue	-	-	-	-	-
Total					
Less: Inter segment revenue					
Income from operations (net)	16,371.08	10,623.93	19,906.61	54,970.30	61,649.49
	-	-	-	-	-
2. Segment Results					
(a) Sugar	(3,663.12)	(4,613.12)	(5,674.62)	(9,941.40)	(13,007.61)
(b) Co-generation	1,030.01	1,678.17	1,284.59	2,095.14	2,298.73
(c) Distillery	4,697.67	6,758.09	5,843.14	12,445.14	15,844.51
(d) IML	37.26	9.41	31.82	112.35	97.52
(e) Vinegar Unit	508.92	431.73	240.13	1,569.50	900.73
Less: Unallocable (expenditure)/revenue:					
Total					
(a) Finance Costs	931.79	701.78	642.75	3,049.61	2,753.65
(b) Other expenditure (net of other income)	670.09	220.89	788.20	1,002.75	825.52
Profit before tax	1,008.86	3,311.60	294.10	2,228.36	2,554.71
3. Segment Assets					
(a) Sugar	37,397.20	39,226.61	39,891.71	37,397.20	39,891.71
(b) Co-generation	7,550.28	7,103.53	7,564.92	7,550.28	7,564.92
(c) Distillery	28,931.02	24,170.46	19,853.72	28,931.02	19,853.72
(d) IML	323.56	342.84	358.19	323.56	358.19
(e) Vinegar Unit	2,589.42	2,592.36	2,465.59	2,589.42	2,465.59
(f) Un-allocable	3,125.22	4,233.39	2,482.91	3,125.22	2,482.91
Total assets	79,916.70	77,669.20	72,617.05	79,916.70	72,617.05
4. Segment liabilities					
(a) Sugar	40,845.43	31,330.60	37,032.29	40,845.43	37,032.29
(b) Co-generation	-	-	-	-	-
(c) Distillery	1,500.00	-	-	1,500.00	-
(d) IML	-	-	-	-	-
(e) Vinegar Unit	-	-	-	-	-
(f) Un-allocable	37,571.27	46,338.60	35,584.75	37,571.27	35,584.75
Total liabilities	79,916.70	77,669.20	72,617.05	79,916.70	72,617.05

For Vishwaraj Sugar Industries Limited



Mukesh Kumar
Mukesh Kumar
Executive Director

Vishwaraj Sugar Industries Limited

Notes:

1. The Financial Results of the company have been prepared pursuant to Regulation 33 and being published pursuant to Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Sugar production being seasonal, performance of one quarter is not indicative of the trend for the whole year.
3. The financial results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules 2016.
4. The Financial results recommended by the Audit Committee are considered and approved by the Board of Directors at their meeting held on 11th May, 2024.
5. The Financial results have been reviewed by the Statutory Auditors of the Company as per Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.
6. For the year ending 31st March, 2024 the provision has been made for Current tax liability at the Tax rate applicable as per income tax act, 1961 on Taxable total profit after considering the carry forward of loss as per Income tax computation and company has paid Rs.1.50 crore as advance tax during the year. Further Deferred tax provision has been provided by the company on timing difference of value of assets and liabilities as per the tax rate applicable.
7. The Board has recommended a final dividend of Rs.0.20 (10% of Face value) per equity share as dividend for the financial year 2023-24 subject to approval of the shareholders.
8. During the period 01st April, 2023 to 31st March, 2024 the company has disposed off the complaints received from Investors/Shareholders.
9. Expected Credit Loss: The company has provided the provision for 'Expected Credit Losses' of Rs.1.77 Crore as per Ind AS-109 till year end out of the Trade and other receivables which are outstanding for more than 365 days during the year and such amount has been debited to statement of Profit and Loss account.
10. Figures for the quarter ended 31st March, 2024 and 31st March, 2023 represent the difference between the audited figures in respect of the full financial year and the unaudited figures of nine months ended 31st December, 2023 and 31st December, 2022.
11. Previous year/Period figures have been regrouped and recast, wherever necessary, in line with the current period presentation.
12. The results for the Quarter ending 31st March, 2024 are also available on the portal of BSE Ltd., National Stock Exchange of India Ltd., and on the Company's website.

Place: Belagavi
Date: 11-05-2024

For and on behalf of the Board


Mukesh Kumar
Executive Director



**Summary of the significant accounting policies and other explanatory information for the year ended
31st March 2024**

Related party disclosures

As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

a) Names of related parties and description of relationship:

Key Management Personnel (KMP) and their relatives	1. Mr. Ramesh V. Katti	Chairman
	2. Mr. Nikhil Katti	Managing Director
	3. Mrs. Sneha Nithin Dev	Director
	4. Mr. Kush Katti	Director
	5. Mukesh Kumar	Director
	6. Mr. Lava Katti	Chief Operating Officer
	7. Mr. Mallikarjun Pujar	Office Superintendent
	8. Mrs. Sheela U Katti	Promotor
	9. Mrs. Jayashree R Katti	Spouse of Chairman
	10. Mrs. Priya Dedhia	Company Secretary
	11. Mr. Sheshagiri H Kulkarni	Chief Financial Officer
Companies in which KMP or their relative have significant influence	1. U R Agrofresh Private Limited	
	2. Vishwaraj Infrastructure Private Limited	
	3. UK 27 Hospitality Services (India) Limited	
	4. Vishwaraj Developers	
	5. UR Sugar Industries Limited	
Enterprise having significant influence over the entity	---	

Transaction with Related Party			(Rs. in Lakhs)	
Name of Related Party	Nature of Transaction	Amount (as at 31.03.2024)	Amount (as at 31.03.2023)	
1. Mr. Nikhil Katti	Directors Remuneration	5.00		60.00
2. Mr. Lava Katti	Directors Remuneration	-		12.50
3. Mr. Kush Katti	Directors Remuneration	36.00		30.00
4. Mr. Mukesh Kumar	Directors Remuneration	48.00		48.00
5. Mrs. Sneha Nithin Dev	Directors Remuneration	30.00		13.87
6. Mr. Lava Katti	Chief Operating Officer	38.50		12.50
7. Mr. Vishnukuntar Mahadev Kulkarni	Meeting Sitting Fees	2.20		1.80
8. Mr. Mallikarjun Pujar	Salary	8.87		8.87
9. Mr. Sheshagiri H Kulkarni	Salary	8.05		8.05
10. Mrs. Priya Dedhia	Salary	3.24		3.24
1. Mr. Umesh V. Katti	Dividend Paid	-		14.19
2. Ramesh V. Katti	Dividend Paid	-		19.93
3. Mrs. Sheela U Katti	Dividend Paid	-		17.12
4. Mr. Nikhil Katti	Dividend Paid	-		62.49
5. Mr. Lava Katti	Dividend Paid	-		19.50
6. Mr. Kush Katti	Dividend Paid	-		17.18
7. Mr. Sneha Nithin Dev	Dividend Paid	-		6.74



8.Mrs.Jayashree R.Katti	Dividend Paid	-	18.88
1.Mrs.Sheela U Katti	Cane Purchase	51.19	25.68
2.Ramesh V. Katti	Cane Purchase	21.77	13.21
3.Mrs.Jayashree R.Katti	Cane Purchase	33.61	3.45
4.Mr.Nikhil Katti	Cane Purchase	52.27	37.65
5.Mr.Lava Katti	Cane Purchase	47.12	81.08
6.Mr.Kush Katti	Cane Purchase	50.02	38.70
7.Mr.Mallikarjun Pujar	Cane Purchase	9.65	6.49

1.Nikhil U Katti	Cane Purchase Advance	40.78	40.78
2.Lava R Katti	Cane Purchase Advance	52.47	52.47
3.Kush R Katti	Cane Purchase Advance	57.24	57.24
1.Mr.Nikhil Katti	Lease security Deposit.	200.00	200.00

Name	Particulars	31.03.2024	31.03.2023
1.U R Agrofresh Private Limited	Sales	158.36	82.67
	Balance Receivables as on 31st March	126.49	56.27
	Advance		
	Paid during the year	-	-
	Balance Receivables as on 31st March	325.00	325.00

2.UK 27 Hospitality Services (India) Limited	Sales	1.66	1.72
	Balance Receivables as on 31st March	0.18	0.33
	TA & DA Expenses during the year	0.72	0.85
	Balance Payable as on 31st March	-	0.08

For Vishwaraj Sugar Industries Limited

Mukesh Kumar
Mukesh Kumar
Executive Director



Independent Auditor's Report

FOR THE YEAR 2022-23

OF

VISHWARAJ SUGAR INDUSTRIES LIMITED

(CIN: L85110KA1995PLC017730)

Address: BELLAD BAGEWADI, Tal: HUKKERI,

Dist: BELAGAVI.

KARNATAKA- 591 305

Auditor's:

M/S. P G Ghali & CO.,

Chartered Accountants

F-01, DRK Empire,

Khanapur road, Tilakwadi

Belagavi - 590 008

e-mail: pgghalico@gmail.com

Ph: 0831-4210470



M/s. P. G. GHALI & CO.

Chartered Accountant

Flat No.1, DRK Empire, 3rd Floor, Above Panchajanya Temple, 10th Stage Road,
Tilakwadi, BELGAUM - 590 002.

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INDEPENDENT AUDITOR'S REPORT

**TO,
THE MEMBERS OF
VISHWARAJ SUGAR INDUSTRIES LIMITED,**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind As financial statements of **VISHWARAJ SUGAR INDUSTRIES LIMITED ("the Company")** which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the loss and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Allowance for Credit Losses: The Company determines the allowance for credit	Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among others:





	<p>losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.</p>	<p>We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) computation of the allowance for credit losses.</p> <p>For a sample of customers: We tested the credit related information used in estimating the probability of default by comparing them to external and internal sources of information. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</p>
2	<p>Properties are being held by way of General Power of Attorney: Properties are being held by way of General Power of Attorney in the name of Shri.Mallikarjun Kadayya Pujar, Director of the Company held on behalf of the Company.</p>	<p>According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company. However Some of the Properties are being held by way of General Power of Attorney in the name of Shri.Mallikarjun Kadayya Pujar, Ex-Director & Presently CAO of the Company held on behalf of the Company. The details are furnished in the Point.1 in the Annexure-A to the Auditors Report. The title of the such Properties shall be converted in the name of the company by Executing sale deed.</p>
3	<p>Recovery of Advances:The Company has given advances to various parties including Directors in normal course of its operations in compliance with Companies Act,2013 & Rules there under.</p>	<p>The Company has granted advances to farmer members in its normal course of business during the year which includes the parties covered in the register maintained under section 189 of the Companies Act, 2013 and complied the provisions of rules thereunder. However some of advances which are outstanding since long time shall be recovered along with interest.</p>
4	<p>Obtaining an insurance in the manner prescribed under Payment of Gratuity Act, 1972 :The company has not invested the Gratuity provision made in any manner prescribed under Payment of Gratuity Act, 1972.</p>	<p>As per Sec.4A of Payment of Gratuity Act, 1972 every employer, other than an employer or an establishment belonging to, or under the control of, the Central Government or a State Government, shall, subject to the provisions of sub-section (2), obtain an insurance in the manner prescribed, for his liability for payment towards the gratuity under this Act, from the Life Insurance Corporation of India established under the Life Insurance Corporation of India Act, 1956 (31 of 1956) or any other prescribed insurer.</p>





5	MD Elected as MLA of Karnataka Assembly: Mr. Nikhil Katti – Managing Director of the Company has been elected as the Member of the Legislative Assembly (MLA) in the elections held on May 10, 2023 in the state of Karnataka.	The matter is related to Post audit period but before issuing the audit report. However the Managing Director being MD of the company & as well as MLA is holding 2 office of profit. Hence the it shall be ensured that the MD shall not receive any remuneration or incidental benefits with respect to his designation in the company to ensure compliance.
6	Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 : (Audit Trail) is applicable for the company only w.e.f. April 1, 2023,	The matter is related to Post audit period but before issuing the audit report. The company has not yet implemented the rules pertaining to Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 (Audit Trail) and shall mandatorily implement the same immediately.

Emphasis of Matter

As more fully described in Note.49 to the standalone financial statements. The scope, duration or outcome of these matters are uncertain. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the *Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report and Shareholder's Information*, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Management's Responsibilities 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation





and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Ind AS Financial Statement

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.





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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.





- f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has disclosed the impact of pending litigations on its financial position in its Notes forming part of Ind AS financial statements Refer "notes-48".
 - ii. The Company did not have any long term contracts including Derivative contracts for which there were any material foreseeable losses;
 - iii. There are no any instances during the audit period wherein the amount is required to be transferred to the 'Investor Education and Protection Fund' by the Company.
 - iv. i. In our opinion and to the best of our information and according to the explanations given to us, no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
 - ii. In our opinion and to the best of our information and according to the explanations given to us no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - iii. Based on audit procedure which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause(i) and (ii) contain any material mis-statement.
- i) The company has paid interim dividend of Rs.0.10 (5% of Face value) each share. Further proposed dividend of Rs.0.10 (5% of Face value) per equity share of the face value of Rs.02 each for the financial year 2022-23 and nothing is contravening the sec.123 of the companies act,2013.The unclaimed dividend is transferred to separate account as per provisions of companies act and rules thereunder.
- j) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.





M/s. P. G. GHALI & CO.

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2. As required by Companies (Auditor's Report) order, 2020, issued by Central Government in terms of Section 143 (11) of the companies Act 2013, we give in the "Annexure A" statement on matters specified in paragraph (3) and (4) of said order

"As per our report of even date"

For, M/s P .G. Ghali & Co.,

Chartered Accountants

FRN: 011092S

P.R.C.No. 013376



(CA. Praveen P. Ghali)

Partner

M. No: 215756

UDIN: 23215756BGSCCV4641

Date: 25th May,2023

Place: Belagavi

**ANNEXURE-A TO THE AUDITOR'S REPORT****ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE ON
STANDALONE FINANCIAL STATEMENTS OF "VISHWARAJ SUGAR
INDUSTRIES LIMITED" FOR THE YEAR ENDING 31ST MARCH, 2023.****1. In respect of the Company's fixed Assets:**

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

(b) According to information and explanation given to us the fixed assets have been physically verified by the Management during the year in a phased programme which in our opinion is reasonable having regard to the size of the company and the nature of the assets. No material discrepancies were noticed on such verification.

(c) The company has not revalued its property, plant and equipment or intangible assets during the year.

(d) To the best of our knowledge, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami transactions (Prohibition) Act, 1988 and rules made there under.

(e) 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 and are deposited with Bank of India Br. Shahpur Dt. Belagavi. Further Pari-passu agreement is entered by State Bank of India, BDCC Bank & SVC Bank with Bank of India.

Some of the Properties are being held by way of General Power of Attorney in the name of Shri. Mallikarjun Kadavya Pujar, the Ex- Director and present CAO of the Company held on behalf of the Company. The details are furnished below: (refer note:52)

Sl No.	Survey No.	Name of the owner/s	Area		Date of GPA	Document No.	Amount Paid (Rs. in Lakhs)
			Acres	Guntas			
1	204/2A	Shri Jotiba Bharmanna More	0	20	30.12.2016	508/2016-17	3.00
2	206/A	1. Shri Narayan Balkrishna Sutar 2. Shri Chudappa Balkrishna Sutar	0	33	30.12.2016	509/2016-17	5.00
3	206/B	1. Smt. Savitri W/O Yallappa Pawashe 2. Smt. Janabai W/O Dhankalu Gurav 3. Shri Yallappa S/O Dhankalu Gurav	2	20	14.03.2017	620/2016-17	6.00



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4	207/1	1.Smt. Renuka W/O Late Tippanna Talwar	0	36	28.12.2018	667/2018- 19	8.10
		2. Shri. Nagaraj S/O. Tippanna Talwar					
5	206/1	Shri. Rajaram Balappa Chigare	0	33	28.12.2018	670/2018- 19	7.43
6	207/1	Shri. Monappa Ganesh Talwar	0	36	28.12.2018	664/2018- 19	8.10
7	207/1	1.Smt. Anandi W/O. Late Dudappa Talwar	0	36	28.12.2018	665/2018- 19	8.10
		2. Shri. Pundalik S/O. Dudappa Talwar Talwar					
		3.Smt. Mayuri W/O. Pundalik Talwar					
		4.Shri. Bharat S/O. Dudappa Talwar					
8	206/A	1.Shri Shanlkar Arjun Gurav	0	30	28.12.2018	655/2018- 2019	6.75
		2.Shri Bharna Arjun Gurav					
		3.Devappa Arjun Gurav					
9	206/A	Shri. Devappa Kumanna Gurav	0	12	28.12.2018	657/2018- 19	2.70
10	207/1	1. Smt. Laxmi W/O. Late Yavagappa Talwar	0	36	28.12.2018	663/2018- 19	8.10
		2. Shri. Pandurang S/O. Yavagappa Talwar					
		3. Smt. Droupada W/O. Pandurang Talwar					
		4. Shri. Balu S/O. Yavagappa Talwar					
11	206/A	Shri. Maruti Yallappa Humbarwadi	0	33	28.12.2018	671/2018- 19	7.43
12	206/A	Shri. Raghunath Krishna Hurakadli	0	13	28.12.2018	661/2018- 19	2.93
13	206/A	1.Shri. Jayram Kallappa Patil	1	5	28.12.2018	659/2018- 19	10.13



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		2.Smt. Madhu Jayram Patil					
		3.Smt. Sushma Madhu Patil					
		4. Shri. Pundalik Jayram Patil					
14	206/B	Smt. Yeshodha Parashuram Gawade	0	26	28.12.2018	656/2018-19	5.85
15	206/A	Shri. Ravalu Shankar Motankar	0	13	28.12.2018	672/2018-19	2.93
16	206/A	Shri. Narayan Krishna Yallurkar	1	0	28.12.2018	660/2018-19	9.00
17	207/1	Shri. Babu Basawant Talwar	0	36	28.12.2018	662/2018-19	8.10
18	206/A	Shri. Babu Somanna Motankar	1	0	28.12.2018	668/2018-19	9.00
19	206/A	Shri.Rajaram Vasu Golyalkar	1	10	09/07/2021	00152/21-22	3.75
20	206/A	Shri. Mallppa Vasu Golyalkar	2	25	09/07/2021	00153/21-22	7.50
21	206/A	Shri.Govind Vasu Golyalkar	1	10	09/07/2021	00154/21-22	3.75
22	206/A	Shri. Nago Somanna Motankar	1	10	09/07/2021	0155/21-22	3.75
23	206/A	Shri.Rama Yallappa Gavali	1	10	09/07/2021	0156/21-22	3.75
24	206/A	Shri.Gangaram Tanji Gavali	2	20	09/07/2021	0157/21-22	7.50
25	206/A	Shri. Jayram Kumanna Gurav	2	0	09/07/2021	0158/21-22	6.00
26	206/A	Shri.Marutirao @Maruti Somanna @Somanath Motankar	1	10	09/07/2021	0160/21-22	3.75
27	206/A	1.Smt. Anandabai W/O. Late Narayan Sutar	1	11	09/07/2021	00161/21-22	3.83



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		2. Shri. Pandu S/O Narayan Sutar					
		3. Smt. Pooja W/O Pandur Sutar					
		4. Shri Vishwanath S/O, Narayan Sutar					
		5. Smt. Laxmi W/O, Vishwanath Sutar					
		6. Smt. Vaishali W/O Suresh Kammar					
28	206/A	1. Shri. Gangaram S/O. Late Kallappa Patil	0	25	12/07/2021	00171/21- 22	1.50
		2. Smt. Renuka W/O. Gangaram Patil					
29	206/A	Shri. Yallappa Nagappa Gurav	0	27	12/07/2021	00172/21- 22	2.03
30	206/A	1. Shri. Parashram Gavadu Patil	0	20	12/07/2021	00173/21- 22	1.50
		2. Smt. Malu W/O. Parashuram Patil					
		3. Smt. Deepa W/O. Dinesh Bilagoji					
31	206/A	Shri. Dashrath Yallappa Chigare	0	23	12/07/2021	00174/21- 22	1.73
32	206/A	Shri. Khirappa Devappa Sutar	0	35	12/07/2021	00176/21- 22	2.63
33	206/A	Smt. Laxmi W/O. Vasant Sutar	0	34	12/07/2021	00177/21- 22	2.55
		Shri. Devendra S/O. Late Vasant Sutar					
		Smt. Rekha W/O. Devendra Sutar					
34	206/A	Shri. Madhu @ Madhukar Dattu Sutar	0	32	12/07/2021	00178/21- 22	2.40
35	206/A	Shri. Ramchandra Devappa Sutar	0	32	12/07/2021	00180/21- 22	2.40
36	206/A	1. Shri. Jayaram S/O. Late Kallappa Patil	0	24	12/07/2021	00181/21- 22	1.80
		2. Shri. Baban S/O Jayaram Patil					



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		3. Rekha W/O. Baban Patil					
37	206/A	1. Smt. Parvati W/O Babu Sutar	0	25	12/07/2021	00182/21-22	1.88
		2. Smt. Punam W/O Parasuram Sutar					
		3. Shri. Parthamesh S/O Parasuram Sutar					
38	206/A	Shri.Basavanni Irappa Chigare	2	20	24/09/2021	00417/21-22	10.25
39	204*/1	Shri.Prabhakar Arjun Jadav	2	20	27/10/2021	00475/21-22	10.55
		Shri. Balakrishna Arjun Jadhav					
40	206/A	1.Shri. Kallappa Shivappa Patil	3	30	30/11/2021	00527/21-22	11.65
		2. Yallappa S/O Gavadu Patil					
41	206/A	Shri. Somanath Shivaji Sutar	2	24	30/11/2021	00528/21-22	10.25
42	206/A	1. Shri Ravalu Shankar Motankar	0	27	14/02/2023	00767/21-22	2.03
		2. Smt.Deepa W/O Ravalu Motankar					
		3.Mr. Rutik D/O Ravalu Montankar					
		4. Master Sandesh S/O Ravalu Montankar					
43	207/7	Shri. Yallappa Nagappa Gurav	0	20	15/02/2023	00771/21-22	1.50
44	206/A	Shri. Gavadu Kallappa Patil	0	30	18/02/2023	00785/21-22	1.95
45	206/A	Shri Maruti Somanna Yallurkar	0	25	25/02/2023	00811/21-22	6.06
46	204*/1	1.Smt. Shobha Dashrut Biraje	1	13	25/02/2023	00812/21-22	12.56
		2. Shri Prabhakar Dasharat Biraje					





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47	206*/A	1. Shri. Mallavva W/O Dhakalu Hurakadli	0	25	28/02/2023	00817/21- 22	6.07
		2. Shri Monappa S/O Dhakalu Hurakadli					
		3. Shri Laxman S/O Dhakalu Hurakadli					
		4. Shri. Ramappa S/O Shakalu Hurakadli					
48	206/A	Shri. Mallappa @ Yallappa Somanna Yallurkar	0	26	16.03.2023	00886/21- 22	6.06

(a) According to the information and explanation given to us the inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.

(b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) Company is maintaining proper records of inventory and there is no material discrepancies noticed on physical verification.

(d) The Company has been sanctioned working capital limits in excess of Rs. 5 crores by banks during the year. The quarterly returns or statements filed by the company with banks are in agreement with the books of account of the Company.

2. The Company has not made investment, or security or granted any loans to companies, firms, Limited Liability Partnerships or other parties except for the corporate guarantee towards the Harvesting and Transportation Loan sanctioned to Sugarcane Harvesting & Transportation contractors from banks to the extent of Rs.80 Crores who are in agreement with the company for Harvesting & Transportation contract which is done in the normal course of business.
3. The Company has not granted any advances during the year to parties covered in the register maintained under section 189 of the Companies Act, 2013 except the purchase advances mentioned in Note:32 which are in compliance with the said section.
4. In our opinion and according to the information and explanations given to us, the company has not granted any loans and not made any investments, security & guarantees covered under section 185 and 186 of the Companies Act, 2013.
5. In our opinion and according to the information and explanation given to us, the company has not accepted Deposits from public hence the directives issued by the





Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for maintenance of cost records prescribed under section 148(1) of the Companies Act, 2013 and are of the opinion that Prima facie the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the same. And the same have been audited by independent cost auditor.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, Value added Tax, GST, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us, the following amounts payable in respect of statutory dues were in arrears due to disputes as at 31-03-2023 for a period of more than six months from the date they became payable:

Sl.No	Particulars	Amount (in lakhs)
1	Central Excise, Belgaum Show Cause Notice	87.85
2	Central Excise, Bangalore (Appeals)	973.42
3	High Court, Karnataka, Appeal for Sugar Cess	252.80

8. According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961.
9. In our opinion and according to the information and explanation given to us the company has not defaulted in repayment of dues to any financial institutions.
10. a) The Company has not defaulted in repayment of loans or borrowings or in interest to any lender.
b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
c) In our opinion, the term loans were applied for the purpose for which the loans were obtained.
d) In our opinion, funds raised on short term basis have not been utilised for long term purposes.
e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.





f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

11. Based upon the audit procedures performed and the information and explanations given by the management, opinion, the no money is raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purpose for which those were raised. The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
12. Based upon the audit procedures performed and the information and explanations given by the management, we report that :
- a) No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- c) No whistle-blower complaints had been received by the Company during the year.

However company has informed us regarding the closure of all Investor complaints Based on the letter received from 'Big Share Services Pvt. Ltd.' Being the RTA we do here by clarify that the queries raised to the investor complaints have been resolved. Further only one complaint regarding sebi is pending of 3rd quarter.

13. In our opinion, the Company is not a Nidhi Company as defined in section 406 of the Companies Act, 2013. Therefore, the provisions of clause 71(a),(b) & (c) of the Order are not applicable to the Company.
14. According to information and explanations given to us and on the basis of our examination of the books of account, records, and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of the Companies Act. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and the details have been disclosed in the financial statements. (refer note.32 to the Financial Statements)
15. The Company has an internal audit system commensurate with the size and nature of its business and the reports of the Internal Auditors for the period under audit were considered by us.
16. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.





M/s. P. G. GHALI & CO.

Chartered Accountant

Flat No.1, DRK Empire, 3rd Floor, Above Reliance Trends, Khanapur Road,
Tilakwadi, BELGAUM - 591 006.

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+91 831 4230920

Web Site : www.pghalicoo.co.in

17. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) The Group does not have not more than one CIC as part of the Group.
18. The company has not incurred any cash losses during the financial year and in the immediately preceding financial year.
19. There has been no resignation of the statutory auditors during the year. The previous year auditor 'M/s Gojanur & co.' has retired as per the provisions of section.139(2) Rule 5 - rotation of auditor's on completion of his tenure of appointment and new statutory auditor 'M/s. P G Ghali & Co.' is being appointed for the current year.
20. On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date
21. The Company was liable to make Rs.40.38 Lakhs as Corporate Social Responsibility expenditure as per company's act,2013 during the reporting period.However the company has spent Rs.60.11 Lakhs as CSR expenses during the reporting period and has complied with the CSR provision.
22. The company is not required to prepare Consolidated financial statement and hence this clause is not applicable.

"As per our report of even date"

For, M/s P .G. Ghali & Co.,

Chartered Accountants

FRN: 011092S

P.R.C.No.013376



(CA. Praveen P. Ghali)

Partner

M. No: 215756

UDIN: 23215756BGSCCV4641

Date: 25th May,2023

Place: Belagavi



M/s. P. G. GHALI & CO.

Chartered Accountant

Flat No.1, DRK Empire, 3rd Floor, Above Reliance Travels, Khasrapur Road,
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ANNEXURE(B)

TO THE AUDITOR'S REPORT OF EVEN DATE ON STANDALONE FINANCIAL STATEMENTS OF "VISHWARAJ SUGAR INDUSTRIES LIMITED" FOR THE YEAR ENDING 31st MARCH, 2023.

REPORT ON INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB SECTION 3 OF SECTION 143 OF COMPANIES ACT, 2013.

We have audited the internal financial controls over financial reporting of "VISHWARAJ SUGAR INDUSTRIES LIMITED" as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the 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 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





M/s. P. G. GHALI & CO.

Chartered Accountant

Flat No.1, DRK Empire, 3rd Floor, Above Reliance Trends, Khinagar Road,
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selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting:

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

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion

In our opinion, the 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 2023, 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 ICAI.

"As per our report of even date"

For, M/s P .G. Ghali & Co.,

Chartered Accountants

FRN: 011092S

P.R.C.No. 013376



(CA. Praveen P. Ghali)

Partner

M. No: 215756

UDIN: 23215756BGSCCV4641

Date: 25th May,2023

Place: Belagavi

VISHWARAJ SUGAR INDUSTRIES LIMITED, BELLAD - BAGEWADI

Registered Office: Bellad Bagewadi, Taluka Hukkeri, District Belgaum – 591 305

(CIN: L85110KA1995PLC017730)

AUDITED BALANCE SHEET AS AT 31st MARCH, 2023

(Rs.in Lakhs)

Particulars	Note No.	2023	2022
ASSETS			
Non-current assets			
Property plant and Equipment	2	29807.16	29961.33
Capital Work Inprogress	2	401.93	0.00
Intangible assets		0.00	0.00
Financial assets			
Investments	3	130.77	130.74
Other financial assets	4	445.90	509.57
Deferred tax Assets (net)	14	0.00	1352.68
Other non current assets	5	0.00	0.00
		30785.76	31954.32
Current assets			
Inventories	6	30305.28	36679.81
Financial assets			
Investments	3	0.00	0.00
Trade receivables	7	4330.24	3224.51
Cash and cash equivalent	8	169.50	1226.70
Other Bank Balances	9	89.35	89.35
Other financial assets	4	8.43	5.92
Other current assets	5	6928.49	3774.97
		41831.29	45001.25
		72617.05	76955.57
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	3755.60	3755.60
Other Equity	11	21804.33	24503.25
		25559.93	28258.85
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	12	8236.09	8969.30
Long Term Provisions	13	300.12	289.20
Deferred tax liabilities (net)	14	3517.13	0.00
Other non-current liabilities	15	0.00	0.00
		12053.34	9258.50
Current liabilities			
Financial Liabilities			
Borrowings	12	27322.76	28074.25
Trade payables	16	6137.12	9375.68
Other financial liabilities	17	426.13	640.10
Other current liabilities	15	532.22	608.14
Provisions	18	585.55	740.05
		35003.78	39438.22
TOTAL		72617.05	76955.57

The accompanying notes 01 to 52 form an integral part of the financial statements.

"As per our report of even date"

For M/s. P. G. Ghali & Co.,

Chartered Accountants

FRN.011992S

P.R.C.No.013376

(CA. Praveen P. Ghali)
Partner

M.No: 215756

UDIN:23215756BGSCCV4641

Place: Belgaum.

Date: 25-05-2023

For and on behalf of Board

(Nikhil U. Katti)
Managing Director
DIN.02503734

(Mukesh Kumar)
Executive Director
DIN.02827073

(Sheshagiri H Kulkarni)
Chief Financial officer

(CS.Priya Deshina)
Company Secretary

VISHWARAJ SUGAR INDUSTRIES LIMITED, BELLAD - BAGEWADI

Registered Office: Bellad Bagewadi, Taluka Hukkeri, District Belgaum – 591 305

(CIN: L85110KA1995PLC017730)

AUDITED STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2023

(Rs.in Lakhs)

PARTICULARS	Note No.	2023	2022
Income			
Revenue from operations	19	61649.49	46875.10
Other income	20	286.47	152.31
Total Revenue		61935.96	47027.41
Expenses			
Cost of materials consumed	21	39386.29	39153.56
Changes in inventories	22	6313.05	(7931.42)
Other Manufacturing expenses	23	4892.71	3563.11
Excise and Service Tax	-	0.00	0.00
Employee benefits expense	24	2026.95	1834.86
Finance costs	25	2753.65	3227.91
Depreciation and amortization expense	2	1597.69	1551.25
Other expenses	26	2410.91	910.11
Total Expenses		59381.25	42309.38
Profit before tax		2554.71	4718.03
Tax expense			
(1) Current tax		376.93	347.44
(2) Excess tax Provision reversed FY 2020-21		0.00	(211.37)
(3) Excess tax Provision reversed FY 2021-22		(347.44)	0.00
(4) Deferred tax		4,869.81	(1434.08)
Profit/ (Loss) for the year		(2344.59)	6016.04
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss		24.59	17.84
Tax on items that will not be reclassified to profit or loss		(3.36)	-
Items that will be reclassified to profit or loss:			
Tax on items that may be reclassified to profit or loss		0.00	0.00
Items that may be reclassified subsequently to profit or loss		0.00	0.00
Total other comprehensive income/(loss) for the year, net of tax		-	-
Total comprehensive income for the year		(2323.36)	6033.88
Earnings per share:			
Basic earnings per share of 2/-each		(1.24)	0.42
Diluted earnings per share of 2/- each		(1.24)	0.42

The accompanying Significant accounting policies and notes form an integral part of the financial statements.

"As per our report of even date"

For M/s. P. G. Ghali & Co.,

Chartered Accountants

FRN:0110928

P.R.C.No.013376

(CA. Praveen P. Ghali)

Partner

M.No: 213056

UDIN:23215756BGSCCV4641

Place: Belgaum.

Date: 25-05-2023

For and on behalf of Board

(Nikhil U. Katti)
Managing Director
DIN.02505734

(Mukesh Kumar)
Executive Director
DIN.02827073

(Sheshgiri H Kulkarni)
Chief Financial officer

(CS.Priya Dedhia)
Company Secretary



VISHWARAJ SUGAR INDUSTRIES LIMITED, BELLAD - BAGEWADI
Registered Office: Bellad Bagewadi, Taluka Hukkeri, District Belgaum – 591 305
(CIN: L85110KA1995PLC017730)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023

(Rs.in Lakhs)

Particulars	2023	2022
Cash Flows from Operating Activities		
Net profit before tax	2554.71	4718.03
Adjustments for :		
Depreciation and amortization expense	1597.69	1551.25
Finance Cost	2753.65	3227.91
Dividend Income	(7.87)	(13.71)
(Profit)/Loss on sale of assets	0.00	0.00
Operating profit before working capital changes	6898.18	9483.48
Movements in Working Capital		
(Increase)/Decrease in Trade Receivables	(1105.73)	(227.51)
(Increase)/Decrease in Other financial assets	61.16	(127.74)
(Increase)/Decrease in Inventories	6374.53	(8108.09)
(Increase)/Decrease in Other Current Assets	(3153.53)	2236.35
(Increase)/Decrease in Other Non Current Assets	(0.03)	0.00
Increase/(Decrease) in Trade Payables	(3238.57)	2701.20
Increase/(Decrease) in Other financial liabilities	(213.97)	317.97
Increase/(Decrease) in Other Current liabilities	(75.92)	(2414.88)
Increase/(Decrease) in Long Term Provisions	10.92	15.69
Increase/(Decrease) in Short Term Provisions	(321.04)	(219.35)
Changes in Working Capital	(1662.18)	(5826.37)
Cash generated from operations	5236.00	3657.11
Interest received on Deposits		
Direct Taxes Paid	(29.49)	(136.06)
Net Cash from operating activities (A)	5206.51	3521.05
Cash flows from Investing Activities		
Dividends Received	7.87	13.71
Purchase of Fixed Assets (Including CWIP)	(1845.44)	(3323.46)
Sale of Fixed Assets	-	29.03
Purchase/Sale of Investment	0.00	0.00
Net Cash used in Investing Activities	(1837.57)	(3280.72)
Cash flows from/(used in) Financing Activities		
Proceeds from Long term borrowings	(2,725.25)	(1,273.63)
Repayment/(Proceeds) of/from Short-term borrowings	1240.55	691.45
Interest paid	(2753.65)	(3227.91)
Dividend Paid	(187.78)	0.00
Proceedings from Share Issue	0.00	0.00
Premium on Share Issue	0.00	0.00
Net Cash used in Financing Activities	(4426.13)	(3810.10)
Net Increase/(Decrease) in cash and cash equivalents	(1057.20)	(3569.77)
Cash and Cash equivalents at the beginning of the year	1316.05	4885.82
Cash and Cash equivalents at the ending of the year	258.85	1316.05

Notes :-

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard on "Cash Flow Statements" (Ind AS-7)
- The accompanying notes are an integral part of the financial statements.



3. Ind AS 7 cash flow requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liability arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet disclosure requirement.

Particulars	As at 31st March, 2022	Cash flows	As at 31st March, 2023
Borrowings - Non Current (Excl. of Current Maturities of Long term Debt)	8,969	-733	8,236
Borrowings - Current (Incl. of Current Maturities of Long term Debt)	28,074	-751	27,323

1 A) Components of cash & cash equivalents

	As at 31st March, 2023	As at 31st March, 2022
1. Cash on hand	7.08	8.61
2. Cheques on hand	0.00	0.00
3. Balances with banks		
- In Current accounts	138.79	1,207.68
- Unclaimed (Unpaid) Dividend Bank Account	23.63	10.41
- Margin Money Deposit Accounts (against Bank Guarantees)	89.35	89.35
Cash & cash equivalents as above	258.85	1,316.05

"As per our report of even date"

For M/s. P. G. Ghali & Co.,

Chartered Accountants

FRN.011002S

P.R.C.No.013376

(CA. Praveen P. Ghali)

Partner

M.No: 215756

UDIN:23215756BGSCCV4641

Place: Belgaum.

Date: 25-05-2023

For and on behalf of Board



(Nilhil U. Katti)
Managing Director
DIN.02505734



(Mukesh Kumar)
Executive Director
DIN.02827073


(Sheshagiri H Kulkarni)
Chief Financial officer


(CS. Priya Dedhia)
Company Secretary

SEGMENT INFORMATION FOR THE YEAR ENDED 31.03.2023

Particulars	Rs. In lakhs	
	Year ended	Year ended
	31.03.2023 (Audited)	31.03.2022 (Audited)
1. Segment revenue		
--Income from Operations		
(a) Sugar	37,865.02	27,289.04
(b) Co-generation	4,366.90	2,480.75
(c) Distillery	17,901.03	15,042.56
(d) IML	-	-
(e) Vinegar Unit	1,389.37	1,929.48
--Other operating income		
(a) Others	127.18	133.27
(b) Unallocable revenue	-	-
Total		
Less: Inter segment revenue	-	-
Income from operations (net)	61,649.49	46,875.10
2. Segment Results		
(a) Sugar	(13,007.61)	(11,964.33)
(b) Co-generation	2,298.73	2,480.42
(c) Distillery	15,844.51	15,876.00
(d) IML	97.52	45.39
(e) Vinegar Unit	900.73	1,418.66
Less: Unallocable (expenditure)/revenue:		
Total		
(a) Finance Costs	2,753.65	3,227.91
(b) Other expenditure (net of other income)	828.88	(89.81)
Profit before tax	2,551.35	4,718.03
	(0.00)	(0.00)
3. Segment Assets		
(a) Sugar	39,891.71	19,445.27
(b) Co-generation	7,564.92	7,157.41
(c) Distillery	19,853.72	3,998.29
(d) IML	358.19	337.02
(e) Vinegar Unit	2,465.59	2,334.28
(f) Un-allocable	2,482.91	43,683.31
Total assets	72,617.05	76,955.57
	(0.00)	0.00
4. Segment liabilities		
(a) Sugar	37,032.29	42,070.93
(b) Co-generation	-	1,625.00
(c) Distillery	-	2,025.00
(d) IML	-	-
(e) Vinegar Unit	-	-
(f) Un-allocable	35,584.75	31,234.64
Total liabilities	72,617.05	76,955.57

"As per our report of even date"

For M/s. P. G. Ghali & Co.,

Chartered Accountants

FRN/01/0925

P.R.C.No.013376

(CA. Phayen P. Ghali)

Partner

M.No: 215756

UDIN:23215756BGSCCV4641

Place: Belagavi.

Date: 25-05-2023

For and on behalf of Board

(Nikhil U. Katti)
Managing Director
DIN.02505734

(Magesh Kumar)
Executive Director
DIN.02827073

(Sheshagiri Kulkarni)
Chief Financial officer

(CS. Priya Dedhia)
Company Secretary



Statement of changes in equity

Name of the company
Statement of changes in equity for the period ended 31.03.2023

		(Rs.in Lakhs)				
		Opening balance as at 01/04/2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01/04/2022	Changes in equity share capital during the year	Closing balance as at 31/03/2023
Equity share capital		3,756	-	3,756	3,756	3,756
18,77,80,000 Equity Share of Rs.2/- each fully paid up		3,756	-	3,756	3,756	3,756
		3,756	-	3,756	3,756	3,756

PARTICULARS	RETAINED EARNINGS	GENERAL RESERVE	CAPITAL RESERVE	ACTUARIAL	TOTAL EQUITY
Balance as at 1/4/2022	21,444.31	-	2,966.39	92.56	24,503.26
Profit for the year	(2,344.59)	-	-	-	(2,344.59)
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	21.23	21.23
Interim Dividend Paid Proposed Dividend*	(187.78) (187.78)	-	-	-	(187.78) (187.78)
Balance as at 31/03/2023	18,724.16	-	2,966.39	113.79	21,804.32

* Dividend has been proposed by the board @3% of the Paid up share capital and subjected to approval by the shareholders in the Annual general meeting.

		(Rs.in Lakhs)				
		Opening balance as at 01/04/2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01/04/2021	Changes in equity share capital during the year	Closing balance as at 31/03/2022
Equity share capital		3,756	-	3,756	3,756	-
3,75,56,000 Equity Shares of Rs.10 each, fully paid up		3,756	-	3,756	3,756	-
		3,756	-	3,756	3,756	-

PARTICULARS	RETAINED EARNINGS	GENERAL RESERVE	CAPITAL RESERVE	ACTUARIAL GAINS OR LOSSES	TOTAL EQUITY
Balance as at 1/4/2021	15,803.83	-	2,966.39	74.72	18,844.93
Profit for the year	6,016.04	-	-	-	6,016.04
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	17.84	17.84
Proposed Dividend*	(375.56)	-	-	-	(375.56)
Balance as at 31/03/2022	21,444.31	-	2,966.39	92.56	24,503.25

* Dividend has been proposed by the board @10% of the Paid up share capital and subjected to approval by the shareholders in the Annual general meeting.

VISHWARAJ SUGAR INDUSTRIES LIMITED

Note.1. Overview and notes to the financial statements

1.1. Company overview:

Vishwaraj Sugar Industries Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 having its registered office at BelladBagewadi, Taluka Hukkeri, Belgaum – 591305, Karnataka, India. The company's operations comprises of Production of sugar, alcoholic spirits by distillation including ethanol, blending and bottling of Indian made foreign liquor (IMFL), vinegar and generation of power.

These financial statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act 2013 in conformity with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India

1.2. Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standard (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 ("the 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 relevant amendment rules issued thereafter. 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. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year figures reported in this statement.

1.3. Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the 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. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the 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.



VISHWARAJ SUGAR INDUSTRIES LIMITED

1.4. Critical accounting estimates and judgments

Revenue Recognition:

The Company recognizes revenue from Sale of Goods when it transfers the property in Goods to the buyer for a price or all significant risks and rewards of ownership has been transferred to the buyer and no significant uncertainty exists as to the amount of consideration that would be derived from such sale. The recognition event is usually the dispatch of goods to the buyer such that the Company retains no effective control over the goods dispatched. Sales have been stated exclusive of Excise Duty (except IMFL sales) and GST. Other revenue is recognized only when it is reasonably certain that the ultimate collection will be made. The same is in compliance with Ind AS-18 to the extent applicable.

1.5. Property, plant and equipment

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 the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on reference with Schedule-II to the Companies Act, 2013 and historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

1.6. Leases

Interests in leasehold land are recorded and classified as operating leases or finance leases as per set definition and classification criteria. An important consideration is that the land has an indefinite economic life. Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset.

1.7. Allowance for credit losses on receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and it operates. In calculating expected credit loss, the Company has also considered related credit information for its customers to estimate the probability of default in future.



VISHWARAJ SUGAR INDUSTRIES LIMITED

1.8. Income taxes:

The company has made Provision for Current taxes as per sec.115BAA tax rate as per Income tax act,1961 during the year. The option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company has recognized provision for the income tax for the year ended 31.03.2023.

In assessing the realizability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced. The DTA & DTL of various items has been accounted individually item wise from FY 2022-23 instead of giving only net effect to the opening balance.



2. Property, plant and equipment.

Particulars	Gross carrying value:				Accumulated depreciation / impairment				Net carrying value	
	As at 1 April 2022	Additions	Disposals	As at 31 March 2023	As at 1 April 2022	For the year	Impairment for the year	Disposals	As at 31 March 2023	As at 31 March 2022
Land	741.03	-	-	741.03	-	-	-	-	741.03	741.03
Factory Buildings	5,583.18	488.19	-	6,071.37	1,047.34	221.50	-	-	4,802.53	4,525.84
Other Building	3,274.67	-	-	3,274.67	316.27	51.07	-	-	2,904.33	2,958.40
Plant and equipment	27,735.56	820.95	-	28,556.51	6,375.61	1,249.16	-	-	20,931.71	21,359.92
Vehicles	464.63	124.56	-	589.20	185.41	54.84	-	-	348.95	279.23
Office Equipment	98.71	4.85	-	103.56	48.19	10.07	-	-	45.30	50.51
Furniture & Fixtures	93.80	3.38	-	97.18	57.39	8.05	-	-	31.74	36.41
Capital Work in Progress	37,991.58	1,443.52	-	39,435.10	8,030.25	1,597.69	-	-	29,897.16	29,861.33
	-	(401.93)	-	401.93	-	-	-	-	-	-
Total	37,991.58	1,845.45	-	39,837.03	8,030.25	1,597.69	-	-	9,627.93	30,209.09

Note: Depreciation is calculated as per schedule II of Companies act, 2013.

Particulars	Gross carrying value				Accumulated depreciation / impairment				Net carrying value	
	As at 1 April 2021	Additions	Disposals	As at 31 March 2022	As at 1 April 2021	For the year	Impairment for the year	Disposals	As at 31 March 2022	As at 31 March 2021
Land	588.88	152	-	741.03	-	-	-	-	741.03	588.88
Factory Buildings	4,957.28	625.00	-	5,583.18	841.03	206.31	-	-	4,533.84	4,116.25
Other Building	3,249.24	35.42	-	3,274.67	202.47	53.80	-	-	316.27	2,986.77
Plant and equipment	25,336.04	2,428.55	29.03	27,735.56	5,149.69	1,225.95	-	-	6,375.64	20,186.35
Vehicles	428.21	36.42	-	464.63	145.23	40.18	-	-	185.41	282.98
Office Equipment	46.19	52.52	-	98.71	32.79	15.41	-	-	48.19	13.40
Furniture & Fixtures	91.30	2.50	-	93.80	47.79	9.60	-	-	37.39	43.51
Capital Work in progress	34,697.15	3,323.46	29.03	37,991.58	6,479.00	1,551.25	-	-	8,030.25	28,218.15
	-	-	-	-	-	-	-	-	-	-
Total	34,697.15	3,323.46	29.03	37,991.58	6,479.00	1,551.25	-	-	8,030.25	28,218.15

* The Capital WIP amount reflected in the Disposed column is actually the amount transferred from Capital WIP to the Reserve/Capital Reserve when capitalised.



3. Investments

(Rs.in Lakhs)

Particulars	2023		2022	
	Current	Non Current	Current	Non Current
Unquoted investments in equity instruments at FVTPL				
Bellad Bagewadi Urban Souhard Sahakari Shares (100 shares of Rs.10/- each)	-	0.10	-	0.10
BDCC Bank Shares (26128 shares of Rs.500/- each)	-	130.64	-	130.64
SVC Bank Shares (26128 shares of Rs.500/- each)	-	0.03	-	-
Equity Shares Fully Paid-up (unquoted)	-	130.77	-	130.74
Aggregate amount of unquoted investments	-	130.77	-	130.74
Total Investments	-	130.77	-	130.74

4. Other Financial Assets

(Rs.in Lakhs)

Particulars	2023		2022	
	Current	Non Current	Current	Non Current
Security Deposits	-	445.90	-	509.57
Other Financial Assets	8.43	-	5.92	-
TOTAL	8.43	445.90	5.92	509.57

5. Other Non Current Assets and Current Assets

(Rs.in Lakhs)

Particulars	2023		2022	
	Current	Non Current	Current	Non Current
Deposits/Balances with Statutory Authorities	654.85	-	793.23	-
Other Current Assets (includes Advances to Suppliers & Services)	6,273.64	-	2,981.74	-
TOTAL	6,928.49	-	3,774.97	-

6. Inventories

(Rs.in Lakhs)

Particulars	2023	2022
	Current	Current
Valued at lower of cost and net realisable value.		
-Raw Materials	11,781.41	11,275.67
-Process Stocks	-	-
-Stores & Spares	968.37	1,029.85
-Finished Goods	17,555.51	24,374.29
TOTAL	30,305.28	36,679.81



7. Trade receivables**(Rs.in Lakhs)**

Particulars	2023	2022
	Current	Current
Trade Receivables		
Unsecured, considered good		
Related Parties		
-Doubtful		
-Other Debts -Good	56.60	71.08
Others		
-Doubtful		
-Other Debts -Good	5,246.16	3,876.74
	5,302.76	3,947.82
Less: Accumulated Allowances for credit losses	972.52	723.32
Less: Bad debts Written off	-	-
TOTAL	4,330.24	3,224.51

Trade Receivables Classification**(Rs.in Lakhs)**

Particulars	2023	2022
	Unsecured	
O/s More than six months		
- Promoter/Promoter group	-	23.07
- Others	2,482.24	1,112.67
O/s Less than six months		
- Promoter/Promoter group	56.60	48.01
- Others	2,763.91	2,764.08
	5,302.76	3,947.82

Note: For Ageing schedule of Trade Receivable refer note no.50

8. Cash and Cash Equivalents**(Rs.in Lakhs)**

Particulars	2023	2022
	a) Cash and Cash equivalents	
i) Cash on hand	7.08	8.61
ii) Balances with banks		
- Current Accounts	138.79	1,207.68
- On Deposit Accounts	-	-
iii) Unclaimed (unpaid) Dividend Bank Account	23.63	10.41
	169.50	1,226.70

9. Other Bank Balances**(Rs.in Lakhs)**

Particulars	2023	2022
	b) Other Bank Balances (with restricted use)	
(i) Margin Money Deposit Accounts (against Bank Guarantees)	89.35	89.35
Total	89.35	89.35



10. Share Capital

(Rs. in Lakhs)

Particulars	2023		2022	
	No. of shares	% Holding	No. of shares	% Holding
Authorized Share Capital				
30,00,00,000 Equity Shares of Rs.2 each* (Previous year: 6,00,00,000 Equity Shares of Rs.10 each)		6000.00		6000.00
Issued Subscribed and Paid up Share Capital				
18,77,80,000 Equity Share of Rs.2/- each fully paid up* (Previous year: 3,75,56,000 Equity Shares of Rs.10 each, fully paid up)		3755.60		3755.60
		3755.60		3755.60
Details of shareholders holding more than 5% shares				
1. Nikhil Umesh Katti	2,55,57,195	13.61%	1,84,64,375	9.83%

* The Rs.10/- face value Equity shares of the company has been sub-divided into Face value of Rs.2/- per share w.e.f from 22nd October,2021.

10.1 Reconciliation of Number of Shares :

(Nos. in Lakhs)

Particulars	2023	2022
Number of Shares at the beginning of the year	1,877.80	1,877.80
Add : Shares issued during the year	0.00	-
Number of Shares at the end of the year	1,877.80	1,877.80

10.2 Rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.10/- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupee. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

10.3 Shares held by promoters at the end of the year

Promoter Name	No. of Shares	% of total shares	% Change during the year
1 NIKHIL UMESH KATTI	2,55,57,195	13.61	38.41
2 SNEHA NITHIN DEV	22,46,250	1.20	-
3 KUSH RAMESH KATTI	57,25,375	3.05	-
4 LAVA RAMESH KATTI	65,01,375	3.46	-
5 JAYASHREE RAMESH KATTI	62,94,000	3.35	-
6 SHEELA UMESH KATTI	57,05,000	3.04	-
7 RAMESH VISHWANATH KATTI	66,44,750	3.54	-
Total	5,86,73,945		
Promoters Group			
1 BASAVARAJ S UTTUR	10,00,000	0.53	-
2 SATISH MAHALINGAPPA GHULI	5,100	0.00	-
3 RAVINDRA SHRIKANT KATTI	22,85,672	1.22	-
4 YUVARAJ CHUNAMURE	5,000	0.00	-
5 GHULI SUJIAS MAHALING	5,000	0.00	-
6 ABHINANDAN DHANAPAL KHEMALAPURE	12,61,093	0.67	-
7 RAMESH SHRALKAR	11,500	0.01	-
8 PADMAJA KATTI	25,000	0.01	-
Total	45,98,365		



11. Other Equity**(Rs. in Lakhs)**

Particulars	(Rs. in Lakhs)	
	2023	2022
Security Premium		
Opening Balance	2,966.39	2,966.39
Add / (Less): Changes during the year	-	-
Add: Premium on share capital	-	-
Less: Utilized/transfer during the period	-	-
Closing Balance	2,966.39	2,966.39
Profit & Loss A/c		
(i) Opening Balance	21,444.30	15,803.82
Add / (Less): Changes during the year	-	-
Less: Transitional Adjustments		
Deferred Tax on account of IND AS	-	-
Expected Credit Loss	-	-
Finance cost de-recognised based on effective interest cost	-	-
Measurement of Employee benefit at Fair Value	-	-
Actuarial Gain/ (loss) in OCI	113.78	92.56
(ii) Add: Profit for the year	(2,344.59)	6,016.04
Less: Proposed Dividend (@ 10% on paid up cap)	375.56	375.56
Less: Dividend Distribution Tax	-	-
Net Profit Transfer to Reserves	(2,720.15)	5,640.48
Closing Balance	18,724.15	21,444.30
	21,804.33	24,503.25

12. Borrowings**(Rs. in Lakhs)**

Particulars	2023		2022	
	Current	Non Current	Current	Non Current
Secured Borrowings:				
<i>loans from Bank & Others</i>				
-Term Loans (#1)		8,167.77		8,934.55
-Hypothecation Loans for Vehicles (#2)		68.32		34.75
Working Capital facilities (#3)	25,488.78	-	24,248.23	-
Unsecured Borrowings				
Total	25,488.78	8,236.09	24,248.23	8,969.30
Add: Current Maturities of Long Term Debt	1,833.98	-	3,826.02	-
	27,322.76	8,236.09	28,074.25	8,969.30

Terms and conditions

#1. Details of Term Loans from Banks are as follows:

Name of the Lender	Date of Sanction	Amount Sanctioned (Rs. in lakhs)	Rate of Interest	Repayment Schedule	Details of Security
BDCC Bank (closed during the year)	13/06/2017	4,000.00	13.00%	Repayable in 26 equal quarterly installments of Rs.166.66 lakhs	Charge on all the Movable & Immovable Assets of the sugar factory
BDCC Bank (closed during the year)	29/05/2018	3,000.00	13.00%	Repayable in 20 equal quarterly installments of Rs.150.00 lakhs	Charge on all the Movable & Immovable Assets of the Co-gen plant



BDCC Bank (closed during the year)	09/06/2018	2,500.00	13.00%	Repayable in 20 equal quarterly installments of Rs.125.00 lakhs	Charge on all the Movable & Immovable Assets of the Co-gen plant
BDCC Bank (closed during the year)	29.05.2019	1,842.00	13.00%	Repayable in 12 equal Monthly installments of Rs.153.50 lakhs	Pledge of Sugar Stocks
BDCC Bank (closed during the year)	05.09.2018	2,250.00	13.00%	Repayable in 24 equal Quarterly installments of Rs.112.50 lakhs	Charge on all the Movable & Immovable Assets of the Distillery Unit
Bank of India	16.03.2021	4,428.00	8.35%	Repayable in 48 equal Monthly installments of Rs.108.92 lakhs	2nd Charge on Fixed Assets on Sugar, Cogen & Distillery Unit
SVC Bank Hubli	08.11.2022	5,300.00	10.50%	Repayable in 28 Quarterly installments of Rs.189.30 lakhs.	First Charge on Fixed Assets on Sugar, Cogen & Distillery Unit
Interest Free Loan on conversion of State Purchase Tax into loan by State Govt of Karnataka as per order.	27.03.2023	2,780.77	0.00%	Repayable in 10 yearly installments of Rs.278.07 lakhs	NA
Note: Out of the above loans all BDCC Bank Loans are being closed during the year by making takeover arrangement of the said loans by SVC co-operative bank Ltd. Hubli.					

#2. Details of Vehicle Loans from Banks are as follows:

Name of the Lender	Amount Sanctioned (Rs. In lakhs)	Rate of Interest	Repayment Schedule	Details of Security
Bank of India Hero HFB Deluxe -(closed during the year)	25.00	9.20%	Repayable in monthly installments of Rs. 0.80 lakhs each	Vehicles
State Bank of India, ZLX Bolero Loan	9.00	9.00%	Repayable in monthly installments of Rs. 0.19 lakhs each	Vehicles
State Bank of India, Carnival Loan	28.00	8.35%	Repayable in monthly installments of Rs. 0.83 lakhs each	Vehicles
Bank of India, Innova Vehicle Loan	42.00	8.25%	Repayable in monthly installments of Rs. 0.66 lakhs each	Vehicles

#3. The Working Capital Loan is in the form of Cash credit from Bank of India, State bank of India & SVC Bank was secured by pledge of sugar and Other Stock and Receivables.



13. Long Term Provisions**(Rs. in Lakhs)**

Particulars	2023		2022	
	2023	2022	2023	2022
Employee Benefits				
Gratuity	300.12		289.20	
Total	300.12		289.20	

14. Deferred Tax (Assets)/Liabilities**(Rs. in Lakhs)**

Particulars	2023		2022	
	2023	2022	2023	2022
Opening Balance	1352.68		(81.40)	
Add: Net Credit Entitlement	-		2,567.21	
Less: On account of depreciation & Accumulated Loss	(4046.73)		(23.14)	
Add: On account of Provision for gratuity	80.78		13.07	
Less: Accumulated loss of now setoff	204.06		(1123.06)	
Less: On account of Expected Credit Loss	244.76		0.00	
Less: Reversal of Opening DTA Provision	(1352.68)		0.00	
Closing Balance (Assets)/Liabilities	(3517.13)		1352.68	

#refer Note-28

15. Other Non Current Liabilities & Current liabilities**(Rs. in Lakhs)**

Particulars	2023		2022	
	Current	Non Current	Current	Non Current
Statutory Dues Payable	255.28	-	359.40	-
Other Payables	276.94	-	248.75	-
Total	532.22	-	608.14	-

16. Trade Payables**(Rs. in Lakhs)**

Particulars	2023		2022	
	2023	2022	2023	2022
Due to Micro & Small Enterprises	-		-	
Dues to others				
For Others	6137.12		9375.68	
Total	6137.12		9375.68	

Note:- 1. There is no sufficient information available with the company regarding Micro and Small
2. For Ageing schedule of Trade payable refer note no.51

17. Other financial liabilities**(Rs. in Lakhs)**

Particulars	2023		2022	
	Current	Non Current	Current	Non Current
Trade Deposits & Advances	87.56		91.70	
Other Financial Liabilities	338.57		548.40	
Total	426.13	-	640.10	-

18. Provisions**(Rs. in Lakhs)**

Particulars	2023		2022	
	2023	2022	2023	2022
Gratuity Provision (#refer Note-38)	20.85		17.05	
Provision for tax	376.93		347.44	
Proposed Dividend on Equity shares	87.78		375.56	
Total	585.55		740.05	



19. Revenue from operations

(Rs.in Lakhs)

Particulars	2023	2022
Sales (Inclusive of Excise duty)	61,512.12	46,593.73
Other Operating Revenue (Export & Buffer stock Subsidy)	137.37	281.37
Revenue from operations	61,649.49	46,875.10

20. Other income

(Rs.in Lakhs)

Particulars	2023	2022
Dividend Income	7.87	13.71
Rental Income	166.01	82.86
Insurance Claims and Income	38.05	31.97
Other Non - Operating Income	74.54	23.77
Total	286.47	152.31

21. Cost of materials consumed

(Rs.in Lakhs)

Particulars	2023	2022
Raw Materials Consumed	37,945.67	37,737.25
Stores, Spares, Chemicals & Packing Materials Consumed	1,440.62	1,416.31
Total	39,386.29	39,153.56

22. Changes in inventories

(Rs.in Lakhs)

Particulars	2023	2022
Raw Material		
Opening	11,275.67	7,250.89
Closing	11,781.41	11,275.67
	(505.74)	(4,024.78)
Work-in-progress		
Opening	-	-
Closing	-	-
	-	-
Stores & Spares		
Opening	-	-
Closing	-	-
	-	-
Finished goods		
Opening	24,374.29	20,467.65
Closing	17,555.51	24,374.29
	6,818.78	(3,906.64)
Total	6,313.05	(7,931.42)



23. Other Manufacturing Expenses**(Rs.in Lakhs)**

Particulars	2023	2022
Processing, Transportation and Other Charges	1,583.03	1,435.89
Power & Fuel	1,640.37	1,190.28
Repairs - Plant & Machinery	1,669.30	936.94
Total	4,892.71	3,563.11

24. Employee benefits expense**(Rs.in Lakhs)**

Particulars	2023	2022
Salaries and Wages to employees	1,653.76	1,556.47
Contribution to Provident and other Funds	123.64	127.52
Staff Welfare Expenses	249.55	150.87
Total	2,026.95	1,834.86

25. Finance costs**(Rs.in Lakhs)**

Particulars	2023	2022
Interest Expense	2,602.56	3,097.18
Other borrowing costs	151.09	130.73
Total	2,753.65	3,227.91

26. Other expenses**(Rs.in Lakhs)**

Particulars	2023	2022
Rent	8.35	8.73
Advertisement, Publicity & Sales Promotion	243.15	277.96
Insurance	141.90	133.66
Travelling Expenditure	26.54	34.11
Vehicle Running & Maintenance	386.08	311.55
Printing & Stationery	7.41	7.67
Communication Expenses	7.78	7.18
Legal, Professional & Consultancy Charges	150.23	118.79
Discount, Rebate & Commission on Power sale	564.34	131.05
Loss/(Gain) on Sale / Disposal of Fixed Assets	-	-
Freight Charges	10.39	14.84
Donation	2.00	-
Licence Fees & Taxes	259.72	184.87
Corporate Social Responsibility Expenses	60.11	-
Other Miscellaneous Exp	293.70	205.62
Expected Credit Loss	249.21	(525.91)
Total	2,410.91	910.11



Disclosure of Ratios for the year 2022-23

Ratio	Formula	2022-23		2021-22		% of Change
		Values	Ratio	Values	Ratio	
1 Current Ratio	Current Assets Current Liabilities	41,831.29 35,093.78	1.20	41,996.20 39,452.75	1.14	5% <i>Less than 23% change</i>
2 Debt Equity	short term debt + long term debt + other fixed payments share holders equity	47,057.12 25,559.92	1.84	48,691.25 28,259.27	1.72	7% <i>less than 23% change</i>
3 Debt Service Coverage Ratio =	Earnings available for debt service Debt Service	9,621.30 5,478.89	1.76	12,069.25 4,501.24	2.68	-34%
4 Return on Equity (ROE)	Net Profit after taxes - Preference Dividend (if any) Average Shareholder's Equity	(2,323.56) 25,559.92	-0.09	6,834.20 28,259.27	0.21	-143%
5 Inventory TO Ratio	Sales Avg Inventory	61,649.49 33,492.55	1.84	46,875.10 32,625.78	1.44	28%
6 Trade Receivables TO Ratio	Net Credit Sales Avg Trade Receivables	4,310.24 3,777.27	1.15	3,224.51 3,110.75	1.04	11% <i>Less than 23% change</i>
7 Trade Payables TO Ratio	Net Credit Purchases Avg Trade Payables	9,137.12 7,756.40	0.79	9,370.21 8,022.35	1.16801	-32%
8 Net capital turnover ratio =	Net Sales Average Working Capital	61,649.49 6,195.27	9.93	46,875.10 5,014.11	9.35	6%
9 Net Profit Margin (in %)	PAT Total Revenue	(2,344.59) 61,925.96	-3.79	6,034.30 47,027.41	12.82	-139%
10 Return on capital employed (ROCE)	Earnings before interest and taxes Capital Employed	5,308.30 37,613.27	14.11	7,946.36 37,317.77	21.18	-33%
11 Return on investment	(MV(T1) - MV(T0)) / Sum (CG) / (MSV(T0) + Sum (W) * C0)	(5.72) 20.20	-0.28	(4.24) 24.94	-0.18	56%
	T1 = End of time period T0 = Beginning of time period t = Specific time falling between T1 and T0 MV(T) = Market Value at T MSV(T0) = Market Value at T0 C0 = Cash inflow, cash outflow on specific date W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $(T1 - t) / T1$	31/05/2023 01/04/2022 1 14.48 20.2		31/05/2022 01/04/2021 1 20.2 24.94		
	Explanation: There has been an Decrease in profitability of the company due to the increase in cost of Raw material and other input cost. Further the government policies in respect to sugar also have resulted in stable sale prices and not increasing in consistency to input cost.Hence resulted in reduction in profit and ROE is negative.					



Explanation: There has been an Decrease in profitability of the company due to the increase in cost of Raw material and other input cost. Further the government policies in respect to sugar also have resulted in stable sale prices and not increasing in consistency to input cost.Hence resulted in reduction in profit and ROE is negative. Further the government policies in respect to sugar also have resulted in stable sale prices and not increasing in consistency to input cost.Hence resulted in reduction in profit and ROE is negative. Further the government policies in respect to sugar also have resulted in stable sale prices and not increasing in consistency to input cost.Hence resulted in reduction in profit and ROE is negative.

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27. Corporate Social Responsibility expenditure

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Amount required to be spent	40.38	-
b) Amount Spent	60.11	-

The Company is liable to Corporate Social Responsibility expenditure as per company's act, 2013 during the reporting period.

28. Tax expenses:

(a) Income tax expense recognised in the statement of profit and loss

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Current Tax	376.92	347.44
b) Deferred Tax	4869.81	(1434.08)
c) Excess tax provision reversed	(347.44)	(211.37)

(b) Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<u>Deferred tax(assets)/liabilities:</u>		
Property, plant and equipment	4046.73	(23.14)
MAT Credit Entitlement	0.00	2567.21
Accumulated Losses	(204.06)	(1123.06)
43B Disallowances	(325.54)	13.07
Net deferred tax (assets)/liabilities	3517.13	1434.08

The DTA & DTL of various items has been accounted individually itemwise from FY 2022-23 instead of giving only net effect to the opening balance. same is reflected in note-14.

(c) Income tax expense recognised in other comprehensive income.

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Tax effect on re measurement of defined benefit obligation	(3.36)	-

29. Auditors Remuneration.

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Audit fees	5.00	5.00
b) For Other Matters	2.00	2.00
TOTAL	7.00	7.00



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30. Earnings per Share

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net Profit attributable to equity holders	(2323.36)	6033.88
Weighted average number of equity shares	3755.60	3755.60
Total weighted average number of equity shares outstanding at the end of the year	3755.60	3755.60
Add : Effect of division of face value of equity shares *	-	-
Add: Effect of Bonus Equity shares issued	-	-
Total weighted average number of equity shares outstanding at the end of the year	3755.60	3755.60
<i>Nominal Value per Equity Share*</i>	2	2
Basic EPS (In Rs.)	(1.24)	3.21
Diluted EPS (In Rs.)	(1.24)	3.21

31. Contingent liabilities and commitments.

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Court Cases	1315.08	1315.08
b) Bank Guarantee	107.89	218.37
c) EPCG Export Obligation	--	289.99
Total	1422.97	1,823.44

* In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

32. Related Parties

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, Company's Directors, members of the Company's Management Council and Company Secretary are considered as Key Management Personnel. List of Key Management Personnel of the Company is as below:

2023	2022
Late.Umesh V Katti (Till 06-09-2022)	Umesh V Katti
Sheela UmeshKatti	Sheela UmeshKatti
Ramesh V Katti	---
Nikhil U Katti	Nikhil U Katti
Lava R Katti	Lava R Katti
Kush R Katti	Kush R Katti
Mukesh Kumar	Mukesh Kumar
Mallikarjun J Pujar	Mallikarjun J Pujar
Priya Dedhia	Priya Dedhia
Sheshagiri H. Kulkarni	Sheshagiri H. Kulkarni
Sneha Nithin Dev	
Jayashree R Katti	

*Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits recognised as per Ind AS 19 -Employee Benefit. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above



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The following is a summary of significant related party transactions:

(Rs. In Lakhs)

Name of Related Party	As at 31st March, 2023	As at 31st March, 2022
DIRECTORS REMUNERATION		
Mr.Nikhil Katti	60.00	36.00
Mr. Mukesh Kumar	48.00	27.00
Mr.Lava Katti	12.50	24.00
Mr.Kush Katti	30.00	24.00
Mrs.SnehaNithin Dev	13.87	---
SALARY		
Mr.Lava Katti	12.50	--
Mr.Mallikarjun Pujar	8.87	8.53
Mr.Sheshagiri Kulkarni	8.05	7.75
Mrs.Priya Dedhia	3.24	3.00
PURCHASES		
Mr.Umesh V. Katti	--	7.49
Mr.Ramesh V Katti	13.21	10.78
Mrs.Sheela Umesh Katti	25.68	0.00
Mrs.Jayashree R Katti	5.45	---
Mr.Nikhil Katti	37.65	57.46
Mr.Lava Katti	84.08	28.59
Mr.Kush Katti	38.70	33.53
Mr.Mallikarjun Pujar	6.49	9.43
DIVIDEND PAID		
Mr.Umesh V. Katti	14.19	14.19
Ramesh V. Katti	19.93	13.29
Mrs.Sheela U Katti	17.12	11.41
Mr.Nikhil Katti	62.49	34.93
Mr.Lava Katti	19.50	11.00
Mr.Kush Katti	17.18	11.45
Mr.Sneha Nithin Dev	6.74	4.49
Mrs.Jayashree R Katti	18.88	12.59
PURCHASE ADVANCE		
Mr.Nikhil U Katti	40.78	40.78
Mr.Lava R Katti	52.47	52.47
Mr.Kush R Katti	57.24	57.24
LEASE SECURITY DEPOSIT		
Mr.Nikhil Katti	200.00	200.00

*In accordance with the applicable provisions of the Income Tax Act, 1961, the Company is required to use certain specified methods in assessing that the transactions with the related parties, are carried at an arm's length price and is also required to maintain prescribed information and documents to support such assessment. The appropriate method to be adopted will depend on the nature of transactions / class of transactions, class of associated persons, functions performed and other factors as prescribed. Based on certain internal analysis carried out, management believes that transactions entered into with the related parties were carried out at arm's length price.



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Associates / Enterprises over which directors and / or their relatives has significant influence

2023	2022
U R Agrofresh Private Limited	U R Agrofresh Private Limited
Vishwaraj Infrastructure Private Limited	Vishwaraj Infrastructure Private Limited
UK27 Hospitality Services (India) Limited	UK27 Hospitality Services (India) Limited
M/s Vishwaraj Developers	M/s Vishwaraj Developers
Vishwaraj Encivil India Private Limited	Vishwaraj Encivil India Private Limited
UK Ventures	UK Ventures
UR Sugar Industries Limited	--

The following is a summary of significant related transactions with the entities having significant influence.
(Rs. In Lakhs)

Name of Related Party	As at 31st March, 2023	As at 31st March, 2022
UR Agro Fresh Private Limited		
Sales during the year	82.67	121.50
Receivables	56.27	70.91
Advances		
Opening Balance o/s	325.00	325.00
Advances given during the year	0.00	0.00
Closing Balance o/s	325.00	325.00
UK 27 Hospitality services (India) Limited		
Sales	1.72	1.27
Receivables	0.33	0.17
TA & DA Expenses	0.85	1.49
TA & DA Payable Outstanding	0.08	0.48

33. Fair value measurements

(i) Financial instruments by category

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial assets				
<i>Investments</i>	130.77	-	130.74	-
<i>Loans</i>	-	-	-	-
<i>Trade Receivables</i>	4330.24	-	3,224.51	-
<i>Cash & Cash Equivalents</i>	169.50	-	1,226.70	-
<i>Bank Balances other than cash & cash Equivalents</i>	89.35	-	89.35	-
<i>Other Financial Assets</i>	454.33	-	515.49	-
Financial Liabilities				
<i>Borrowings</i>	-	35,558.85	-	37,043.55
<i>Trade Payables</i>	-	6137.12	9,375.68	-
<i>Other Financial Liabilities</i>	-	426.13	640.10	-

*Regrouped as per Revised schedule iii.



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The management considers that the carrying amount of financial assets and financial liabilities carried at amortised cost approximates their fair value.

34. Earnings/expenditure in foreign currency:

Expenditure in Foreign currency:

(Values In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Earnings in Foreign currency	-	-
Expenditure in Foreign currency		
-USD	4.50	3.98
-Euro	84.66	90.25

35. Segment Reporting:

The company has identified products wise and unit wise segments i.e. Sugar, Co-generation, Distillery, Vinegar & IML at factory site, respectively of Products & Unit based on return and risk. Hence, the same becomes the reportable segments for the Company. Accordingly, the Company has above operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are made. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

36. Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

A. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables.

Trade and Other Receivables -The Company uses Expected Credit Loss (ECL) model for assessing the impairment loss on trade and other receivables. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers. The management believes that there is no change in allowance for credit losses for the periods presented.



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Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including term deposits were past due or impaired for the periods presented.

The Company's credit period for customers generally ranges from 30 - 90 days.

B. Market Risks:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term borrowings. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies

C. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Further, the Company's investments in deposits is with banks and electricity authorities and therefore do not expose the Company to significant interest rates risk. The Company's variable rate borrowing is subject to interest rate risk. However, the management considers the impact of fair value interest rate risk on variable rate borrowings to be immaterial.

37. Capital Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(Rs. In Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Total Debt	35558.85	37,043.55
Less: Cash and cash equivalents	169.50	1,226.70
Net Debt	35389.35	35816.85
Equity Share Capital	3755.60	3755.60
Other Equity	21804.34	24503.25
Total Equity Attributable to Owners	25559.94	28258.55
Net Debt to Equity Ratio	1.38:1	1.26 : 1



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38. Gratuity

The Company provides for gratuity for employees in India as per the Payment of the Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionally for 15 days salary multiplied for the number of the years of service up to a maximum of ₹10 Lakhs.

(i) The assumptions used in accounting for the gratuity plan are set out as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Future Salary rise	7.00%	7.00%
Discount rate	7.50%	7.25%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate	5%	5%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. The Company evaluates these assumptions annually based on its long term plans of growth and industry standards

The components of gratuity cost recognised in the statement of profit and loss consist of the following:

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current Service Cost	30.47	31.03
Interest cost	22.20	20.90
Gratuity cost recognised in statement of profit and loss	52.67	51.93

Details of the employee benefits obligations and plan assets are provided below:

(Rs. In Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of funded obligations	320.96	306.25
Fair value of plan assets	-	-
Net defined benefit liability recognized	320.96	306.25

Details of changes in the present value of defined benefit obligations are as follows:

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Defined benefit obligations at the beginning of the year	306.25	288.25
Current service cost	30.47	31.03
Interest Cost	22.20	20.90
Remeasurement - Actuarial (gain)/loss on obligation	(24.59)	(17.84)
Benefits paid during the year	13.36	(16.09)
Defined benefit obligations at the end of the period/ year	320.96	306.25

However the company has not invested the Gratuity provision made in any manner prescribed under Payment of Gratuity Act, 1972.



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39. Accounting for Goods & Service Tax (GST):

(a) The GST paid on purchase of Raw-material has been treated as cost of stock and cost of Raw-materials.

(b) The GST Input Tax Credit (ITC) benefit attributable to acquisition & construction of fixed Assets (other than civil works) is netted against the cost of fixed Assets in accordance with guidance note issued by ICAI and no depreciation is claimed on that part of Assets.

(c) GST Input Tax Credit (ITC) benefit attributable to purchase of inputs has been reduced from Manufacturing expenses.

During the year the Company has availed the GST Credit and utilized as under.

(In Rs.)

GST CREDIT		Op. Balance (Dr)	Credit	Debit	Cl. Balance (Dr)
1	CGST Credit	3271323.00 Dr	26862434.66	24911583.60	1320471.94
2	IGST Credit	6106104.90 Dr	60025151.99	62549476.37	8630429.28
3	SGST Credit	1620937.00 Dr	25212048.66	24911583.60	1320471.94
Total GST Credit		10998364.90	112099635.31	112372643.57	11271373.16

40. Secured Loans:

As on 31.03.2023, the Bank of India GECL Loan outstanding as under

1. The Bank of India, Shahapur Branch, Belagavi Rs.3,392.22 Lakhs

As on 31.03.2023, the SVC Co Operative Bank Ltd, Hubli Branch, Hubli Term Loan outstanding as under

1. SVC Co Operative Bank Ltd, Hubli Branch, Hubli Rs.4,394.99 Lakhs

The Working Capital Loan in the form of Cash Credit from Bank of India & State Bank of India Cash Credit was secured by pledge of Sugar. The Loan outstanding as on 31.03.2023 is as under.

1. Bank of India, Shahapur Branch, Belagavi Rs.2,547.23 Lakhs
2. State Bank of India, SME Branch, Belagavi Rs.9,470.15 Lakhs

The Working Capital Loan in the form of Cash Credit Hypothecation from SVC Co-operative Bank is secured by pledge of Other Stocks. The Loan outstanding as on 31.03.2023 is as under.

1. SVC Co Operative Bank Ltd, Hubli Branch, Hubli Rs.5467.45 Lakhs

The Term Hypothecation Loan Details:

Sl.No	Particulars	Rs.in Lakhs	Bank Name
1	Bolero ZLX	4.70	SBI Belagavi
2	Carvinal	24.14	SBI Belagavi
3	Innova	39.47	BOI Belagavi

The Term Hypothecation Loan is secured by respective Hypothecation of Vehicles.

The Term Loan Installments due during next 12 months have been included under Short Term Borrowings.

41. Auditors Remuneration:

(In Rs.)

Sl. No.	Particulars	2022-23	2021-22
1	Statutory Audit Fees	5,00,000.00	5,00,000.00
2	For Other Matters	2,00,000.00	2,00,000.00

The above Remuneration is exclusive of GST.



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42. i) Distillery Unit:

No.	Particulars	Unit	2022-23	2021-22
a)	Licensed Capacity Rectified Spirit	Ltrs	1,00,000	1,00,000
b)	Installed Capacity Rectified Spirit	Ltrs	1,00,000	1,00,000
c)	Licensed Capacity Neutral Spirit	Ltrs	50,000	50,000
d)	Installed Capacity Neutral Spirit	Ltrs	50,000	50,000
e)	Licensed Capacity Ethanol	Ltrs	1,00,000	1,00,000
f)	Installed Capacity Ethanol	Ltrs	1,00,000	1,00,000

ii) Co-generation Unit:

No.	Particulars	Unit	2022-23	2021-22
a)	Licensed Capacity Electricity	MW	36.4	36.4
b)	Installed Capacity Electricity	MW	36.4	36.4

iii) Sugar Unit:

No.	Particulars	Unit	2022-23	2021-22
a)	Licensed Capacity Sugar Cane	MT	11000	11000
b)	Installed Capacity Sugar Cane	MT	11000	11000

iv) IML Unit:

No.	Particulars	Unit	2022-23	2021-22
a)	Licensed IML Bottling	CB	5,000	5,000
b)	Installed IML Bottling	CB	5,000	5,000

v) Natural Alcoholic Vinegar:

No.	Particulars	Unit	2022-23	2021-22
a)	Licensed	Ltrs	75,000	75,000
b)	Installed	Ltrs	75,000	75,000

Note: The Installed capacity is certified by a Director and being a technical matter same is accepted by the Auditors without verification.



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43. Production:

Particulars	Unit	2022-23	2021-22
		Qty	Qty
Distillery Unit			
Rectified Spirit	KL	130.93	370.60
Extra Neutral Spirit	KL	0.00	130.38
M. G. Spirit	KL	4.89	19.79
Ethanol(Syrup)	KL	9,346.28	11,705.56
Ethanol (B Heavy)	KL	19,619.49	13,622.95
M G Spirit (B Heavy)	KL	0.00	9.02
Rectified Spirit (B Heavy)	KL	189.70	1,412.70
Rectified Spirit (Syrup)	KL	1,139.80	298.61
Co-gen Unit			
Electricity	KWh	10,60,64,100	9,17,49,000
Sugar Unit			
Sugar	Qtls	8,93,500	9,27,000.00
Molasses (B Heavy)	MT	62,100.00	64,300.00
Bagasse	MT	2,97,800.00	3,11,120.00
Compost	MT	12,673.20	12,578.00
Syrup	MT	31,242.96	38,800.44
Vinegar Unit			
Natural Alcoholic Vinegar	Ltrs	95,49,000.00	1,37,79,000.00

44. Turnover

Particulars	Unit	2022-23		2021-22	
		Qty	Value in Lakhs	Qty	Value in Lakhs
Distillery Unit					
Extra Natural Spirit	KL			39.81	21.69
Ethanol	KL	29206.00	17,901.03	24902.00	15020.85
Liquid Carbon Di Oxide	KG		35.09	4,12,860.00	9.49
Co-Gen Unit					
Electricity	KWh	6,33,98,450	4,366.90	5,14,12,850	2,480.75
Boiler Ash	MT		12.65	--	14.02
Sugar Unit					
Sugar	QTLS	11,31,272.00	37,272.64	8,28,756.00	26,842.12
Scrap	-	--	116.73	--	133.26
Compost	Bags	1,65,724.00	235.11	2,24,352	302.36
Bagasse	MT	17,723.29	309.52	8,096.89	121.45
Sugar Bags		--	10.45		
Vinegar Unit					
Natural Alcoholic Vinegar	Ltrs	93,87,654.00	1,389.37	1,35,74,554.00	1,929.48
Total	-		61,649.49		46,742.25



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Consumption of Raw Materials:

Particulars	Unit	2022-23		2021-22	
		Qty	Value in Lakhs	Qty	Value in Lakhs
Distillery Unit					
Molasses (B Heavy)	MT	58,742.14	8,370.75	47,531.96	6416.81
Chemicals	-	--	226.84	--	241.39
R.S. (Captive)	Ltrs	0.00	0.00	141321.30	65.95
M G Spirit	Ltrs	1,39,962.70	55.99	415304.80	145.35
M G Spirit (B Heavy)	Ltrs	0.00	0.00	9019.9	3.16
Syrup	MT	31,299.87	4,615.33	38098.28	5339.03
Co-generation Unit					
Bagasse	MT	3,10,152.42	5,582.74	243109	4254.40
Coal including Distillery	MT	15,464.40	1,279.18	12673.38	893.43
Chemicals	-	--	66.68	--	105.38
Sugar Unit					
Sugar Cane	MT	10,59,379.15	38,217.56	11,01,936.28	37759.57
Chemicals	-	--	596.57	--	602.04
Vinegar Unit					
Chemicals	-	--	31.22	--	38.27
R S Consumption	Ltrs	17,11,891.00	855.95	16,75,000.00	787.25

45. Opening Stock:

Particulars	Unit	2022-23		2021-22	
		Qty	Value (in Lakhs)	Qty	Value (in lakhs)
Distillery Unit					
Rectified Spirit	Ltrs	0.00	0.00	1,64,568.50	77.35
Rectified Spirit (B Heavy)	Ltrs	2,33,269.20	109.64	0.00	0.00
Rectified Spirit (Syrup)	Ltrs	1,02,361.00	48.11	0.00	0.00
Extra Neutral Spirit	Ltrs	1,47,495.00	82.60	56,965.10	31.90
M G Spirit	Ltrs	8,240.70	2.88	1,33,637.40	46.77
Ethanol (Syrup)	Ltrs	2,56,787.50	162.93	21,422.30	13.42
Ethanol (B Heavy)	Ltrs	2,44,584.50	141.42	58,432.70	33.66
Co-generation Unit					
Bagasse	MT	99,355.11	1,738.71	39,441.00	591.62
Sugar Unit					
Sugar	Qtls	7,15,665	23,012.70	6,17,421	19,090.06
Molasses (S)	MT	65,062.18	8,783.39	48,294.14	6,036.77
Compost	MT	28,404.29	568.08	27,043.89	1,081.76
Syrup	MT	5,377.31	753.57	4,675.15	622.51
Vinegar Unit					
Vinegar	Ltrs	6,73,826.00	94.34	6,62,380.00	92.73
Rectified Spirit	Ltrs	3,22,536.00	151.59		
Total		35,649.97			27,718.54



VISHWARAJ SUGAR INDUSTRIES LIMITED

46. Closing Stock:

Particulars	Unit	2022-23		2021-22	
		Qty	Value in Lakhs	Qty	Value in Lakhs
Distillery Unit					
Rectified Spirit (B Heavy)	Ltrs	0.00	0.00	2,33,269.20	109.64
Rectified Spirit (Syrup)	Ltrs	1,39,572.80	69.79	1,02,361.00	48.11
Extra Neutral Spirit	Ltrs	1,47,495.00	82.60	1,47,495.00	82.60
M G Spirit	Ltrs	13,126.30	5.25	8,240.70	2.88
Ethanol (Syrup)	Ltrs	2,52,076.90	165.39	2,56,787.50	162.93
Ethanol (B Heavy)	Ltrs	0.00	0.00	2,44,584.50	141.42
Co-generation Unit					
Bagasse	MT	69,279.40	1,247.03	99,355.11	1,738.71
Sugar Unit					
Sugar	Qtls	4,77,893	16,174.20	7,15,665	23,012.70
Molasses (B Heavy)	MT	68,420.04	9,749.86	65,062.18	8,783.39
Compost	MT	32,791.29	819.78	28,404.29	568.08
Syrup	MT	5,320.40	784.52	5,377.31	753.57
Vinegar Unit					
Vinegar	Ltrs	7,01,172.00	105.18	6,73,826.00	94.34
Rectified Spirit	Ltrs	2,66,645.00	133.32	3,22,536.00	151.59
Total					35,649.97

47. CIF Value of Imports and Export in Foreign Currencies Paid:

CIF Value of Import	Currency	2022-23	2021-22
Vinegar Chemical Charges	EURO	36,863.80	28298.00
Kasurth Certification Plant Fees	USD	5,645.00	5375.00
Vinegar Machinery Parts	EURO	58,880.00	73,770.40
Vinegar Machinery Service	EURO	850.00	0.00

48. Provisions and Contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Such liabilities are disclosed by way of notes to the financial statements. No disclosure is made if the possibility of an outflow on this account is remote.

Sl.No	Particulars	Amount in Lakhs
1	Central Excise, Belgaum Show Cause Notice	87.85
2	Central Excise, Bangalore (Appeals)	973.42
3	High Court, Karnataka, Appeal for Sugar Cess	252.80
4	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (HPCL)	35.75
5	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (BPCL)	44.53
6	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (IOCL)	16.06
7	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (HPCL)	11.55
	Total	1422.97

VISHWARAJ SUGAR INDUSTRIES LIMITED

49. Trade Receivable Ageing schedule: for the year 2022-23

Particulars	Outstanding for following periods from due date of payment#					Rs.in Lakhs
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2820.39	328.89	1115.22	1038.25	-	5302.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Trade Receivable Ageing schedule: for the year 2021-22

Particulars	Outstanding for following periods from due date of payment#					Rs.in Lakhs
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2,930.82	30.67	160.04	72.07	754.23	3,947.82
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-



VISHWARAJ SUGAR INDUSTRIES LIMITED

50. Trade Payable Ageing schedule: for the year 2022-23

(Rs in Lakhs)

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	5581.02	9.37	-	546.71	6137.11
iii. Disputed dues-MSME	-	-	-	-	-
iv. Disputed dues-Others	-	-	-	-	-
Total	-	-	-	-	6137.11

Trade Payable Ageing schedule: for the year 2021-22

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	8,838.15	7.04	73.85	405.71	9,324.75
iii. Disputed dues-MSME	-	-	-	-	-
iv. Disputed dues-Others	-	-	-	-	-
Total	8,838.15	7.04	73.85	405.71	9,324.75

51. Title Deeds of Immovable Properties of the company not held in the name of the Company as on 31-03-2023:

Reason: *Properties are being held by way of General Power of Attorney in the name of Shri. Mallikarjun Kadavya Pujar, present CAO of the Company held on behalf of the Company*

Relevant line item in the Balance sheet	Description of item of Property	Gross carrying value	Title Deeds held in the name of:	Whether title deed holder is promoter/Director/Relative of Promoter of Director or Employee of Promoter / Director	Property held since which date
Land	204/2A	3	Shri Jotiba Bharmanna More	NO	30.12.2016
Land	206/A	5	1. Shri Narayan Balkrishna Sutar 2. Shri Chudappa Balkrishna Sutar	NO	30.12.2016
Land	206/B	6	1. Smt. Savitri W/O Yallappa Pawashe	NO	14.03.2017



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			2.Smt.Janabai W/O Dhankalu Gurav	NO	
			3.Shri Yallappa S/O Dhakalu Gurav	NO	
Land	207/1	8.1	1.Smt. Renuka W/O Late Tippanna Talwar	NO	28.12.2018
			2. Shri. Nagaraj S/O. Tippanna Talwar	NO	
Land	206/1	7.43	Shri. Rajaram Balappa Chigare	NO	28.12.2018
Land	207/1	8.1	Shri. Monappa Ganesh Talwar	NO	28.12.2018
Land	207/1	8.1	1.Smt. Anandi W/O. Late Dudappa Talwar	NO	28.12.2018
			2. Shri. Pundalik S/O. Dudappa Talwar Talwar	NO	
			3.Smt. Mayuri W/O. Pundalik Talwar	NO	
			4.Shri. Bharat S/O. Dudappa Talwar	NO	
Land	206/A	6.75	1.Shri Shankar Arjun Gurav	NO	28.12.2018
			2.Shri Bharma Arjun Gurav	NO	
			3.Devappa Arjun Gurav	NO	
Land	206/A	2.7	Shri. Devappa Kumanna Gurav	NO	28.12.2018
Land	207/1	8.1	1. Smt. Laxmi W/O. Late Yavagappa Talwar	NO	28.12.2018
			2. Shri. Pandurang S/O. Yavagappa Talwar	NO	
			3. Smt. Droupada W/O. Pandurang Talwar	NO	
			4. Shri. Balu S/O. Yavagappa Talwar	NO	
Land	206/A	7.43	Shri. Maruti Yallappa Humbarwadi	NO	28.12.2018
Land	206/A	2.93	Shri. Raghunath Krishna Hurakadli	NO	28.12.2018
Land	206/A	10.13	1.Shri. Jayram Kallappa Patil	NO	28.12.2018
			2.Smt. Madhu Jayram Patil	NO	
			3.Smt. Sushma Madhu Patil	NO	



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			4. Shri. Pundalik Jayram Patil	NO	
Land	206/B	5.85	Smt. Yeshodha Parashuram Gawade	NO	28.12.2018
Land	206/A	2.93	Shri. Ravalu Shankar Motankar	NO	28.12.2018
Land	206/A	9	Shri. Narayan Krishna Yallurkar	NO	28.12.2018
Land	207/1	8.1	Shri. Babu Basawant Talwar	NO	28.12.2018
Land	206/A	9	Shri. Babu Somanna Motankar	NO	28.12.2018
Land	206/A	3.75	Shri.Rajaram Vasu Golyalkar	NO	09/07/2021
Land	206/A	7.5	Shri. Mallppa Vasu Golyalkar	NO	09/07/2021
Land	206/A	3.75	Shri.Govind Vasu Golyalkar	NO	09/07/2021
Land	206/A	3.75	Shri. Nago Somanna Motankar	NO	09/07/2021
Land	206/A	3.75	Shri.Rama Yallappa Gavali	NO	09/07/2021
Land	206/A	7.5	Shri.Gangaram Tanji Gavali	NO	09/07/2021
Land	206/A	6	Shri. Jayram Kumanna Gurav	NO	09/07/2021
Land	206/A	3.75	Shri.Marutirao @Maruti Somanna @Somanath Motankar	NO	09/07/2021
Land	206/A	3.83	1.Smt. Anandabai W/O. Late Narayan Sutar	NO	09/07/2021
			2. Shri. Pandu S/O Narayan Sutar	NO	
			3. Smt. Pooja W/O Pandu Sutar	NO	
			4. Shri Vishwanath S/O. Narayan Sutar	NO	
			5. Smt. Laxmi W/O. Vishwanath Sutar	NO	
			6. Smt. Vaishali W/O Suresh Kammar	NO	



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Land	206/A	1.5	1. Shri. Gangaram S/O. Late Kallappa Patil	NO	12/07/2021
			2. Smt. Renuka W/O. Gangaram Patil	NO	
Land	206/A	2.03	Shri. Yallappa Nagappa Gurav	NO	12/07/2021
Land	206/A	1.5	1. Shri. Parashram Gavadu Patil	NO	12/07/2021
			2. Smt. Malu W/O. Parashuram Patil	NO	
			3. Smt. Deepa W/O. Dinesh Bilagoji	NO	
Land	206/A	1.73	Shri. Dashrath Yallappa Chigare	NO	12/07/2021
Land	206/A	2.63	Shri. Khirappa Devappa Sutar	NO	12/07/2021
Land	206/A	2.55	Smt. Laxmi W/O. Vasant Sutar	NO	12/07/2021
			Shri. Devendra S/O. Late Vasant Sutar	NO	
			Smt. Rekha W/O. Devendra Sutar	NO	
Land	206/A	2.4	Shri. Madhu @ Madhukar Dattu Sutar	NO	12/07/2021
Land	206/A	2.4	Shri. Ramchandra Devappa Sutar	NO	12/07/2021
Land	206/A	1.8	1. Shri. Jayaram S/O. Late Kallappa Patil	NO	12/07/2021
			2. Shri. Baban S/O. Jayaram Patil	NO	
			3. Rekha W/O. Baban Patil	NO	
Land	206/A	1.88	1. Smt. Parvati W/O. Babu Sutar	NO	12/07/2021
			2. Smt. Punam W/O. Parasuram Sutar	NO	
			3. Shri. Parthamesh S/O. Parasuram Sutar	NO	
Land	206/A	10.25	Shri. Basavanni Irappa Chigare	NO	24/09/2021
Land	204*/1	10.55	Shri. Prabhakar Arjun Jadav	NO	27/10/2021
			Shri. Balakrishna Arjun Jadhav	NO	
Land	206/A	11.65	1. Shri. Kallappa Shivappa Patil	NO	30/11/2021



VISHWARAJ SUGAR INDUSTRIES LIMITED

			2. Yallappa S/O Gavadu Patil	NO	
Land	206/A	10.25	Shri. Somanath Shivaji Sutar	NO	30/11/2021
Land	206/A	2.03	1. Shri Ravalu Shankar Motankar	NO	14/02/2022
			2. Smt. Deepa W/O Ravalu Motankar	NO	
			3. Mr. Rutik D/O Ravalu Montankar	NO	
			4. Master Sandesh S/O Ravalu Montankar	NO	
Land	207/7	1.5	Shri. Yallappa Nagappa Gurav	NO	15/02/2022
Land	206/A	1.95	Shri. Gavadu Kallappa Patil	NO	18/02/2022
Land	206/A	6.06	Shri Maruti Somanna Yallurkar	NO	25/02/2022
Land	204*/1	12.56	1. Smt. Shobha Dashrut Biraje	NO	25/02/2022
			2. Shri Prabhakar Dasharat Biraje	NO	
Land	206*/A	6.07	1. Shri. Mallavya W/O Dhakalu Hurakadli	NO	28/02/2022
			2. Shri Monappa S/O Dhakalu Hurakadli	NO	
			3. Shri Laxman S/O Dhakalu Hurakadli	NO	
			4. Shri. Ramappa S/O Shakalu Hurakadli	NO	
Land	206/A	6.06	Shri. Mallappa @ Yallappa Somanna Yallurkar	NO	16.03.2022

52. Balance appearing under the head Sundry Debtors, Creditors, Loans and Advances, Secured & Unsecured Loans is subject to confirmation, adjustments if any on receipts and reconciliation of such accounts.

"As per our report of even date"

For, M/s P .G. Ghali & Co.,

Chartered Accountants

FRN: 011092S

P.R.C.No.013376



(CA. Praveen P. Ghali)

Partner

M. No: 115756

UDIN: 23215756BGSCCV4641

Date: 25th May, 2023

Place: Belagavi

Auditor's Report

FOR THE YEAR 2021-22

OF

VISHWARAJ SUGAR INDUSTRIES LIMITED

BELLAD BAGEWADI, Tal: HUKKERI,

Dist: BELAGAVI.

KARNATAKA- 591 305

Auditor's:

M/S. GOJANUR & CO.,

Chartered Accountants

2nd Parallel Road ,

Durgigudi , Shivamogga - 577 201

Ph No. 08182 - 223 443

Mob No. +91-94481-37195

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INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF
VISHWARAJ SUGAR INDUSTRIES LIMITED,

Report on the Ind AS Financial Statements

We have audited the accompanying Ind As financial statements of **VISHWARAJ SUGAR INDUSTRIES LIMITED ("the Company")** which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the loss and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Allowance for Credit Losses: The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic	Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among others: We tested the effectiveness of controls over the





	<p>conditions. The Company considered current and anticipated future economic conditions relating to industries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.</p>	<p>(1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) computation of the allowance for credit losses.</p> <p>For a sample of customers: We tested the credit related information used in estimating the probability of default by comparing them to external and internal sources of information. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</p>
<p>2</p>	<p>Properties are being held by way of General Power of Attorney: Properties are being held by way of General Power of Attorney in the name of Shri.MallikarjunKadayyaPujar, Director of the Company held on behalf of the Company.</p>	<p>According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company. However Some of the Properties are being held by way of General Power of Attorney in the name of Shri.MallikarjunKadayyaPujar, Ex-Director & Presently CAO of the Company held on behalf of the Company. The details are furnished in the Point.1 in the Annexure-A to the Auditors Report. The title of the such Properties shall be converted in the name of the company by Executing sale deed.</p>
<p>3</p>	<p>Recovery of Advances:The Company has given advances to various parties including Directors in normal course of its operations in compliance with Companies Act,2013 & Rules there under.</p>	<p>The Company has granted advances to farmer members in its normal course of business during the year which includes the parties covered in the register maintained under section 189 of the Companies Act, 2013 and complied the provisions of rules thereunder. However some of advances which are outstanding since long time shall be recovered along with interest.</p>
<p>4</p>	<p>Obtaining an insurance in the manner prescribed under Payment of Gratuity Act, 1972 :The company has not invested the Gratuity provision made in any manner prescribed under Payment of Gratuity Act, 1972.</p>	<p>As per Sec.4A of Payment of Gratuity Act, 1972 every employer, other than an employer or an establishment belonging to, or under the control of, the Central Government or a State Government, shall, subject to the provisions of sub-section (2), obtain an insurance in the manner prescribed, for his liability for payment towards the gratuity under this Act, from the Life Insurance Corporation of India established under the Life Insurance Corporation of India Act, 1956 (31 of 1956) or any other prescribed insurer.</p>





Emphasis of Matter

As more fully described in Note.49 to the standalone financial statements. The scope, duration or outcome of these matters are uncertain. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the *Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report and Shareholder's Information*, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Management's Responsibilities 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.





Auditor's Responsibilities for the Audit of Ind AS Financial Statement

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.





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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
 - g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:





- i. The company has disclosed the impact of pending litigations on its financial position in its Notes forming part of Ind AS financial statements Refer "notes-49".
- ii. The Company did not have any long term contracts including Derivative contracts for which there were any material foreseeable losses;
- iii. There are no any instances during the audit period wherein the amount is required to be transferred to the 'Investor Education and Protection Fund' by the Company.
- iv.
 - i. In our opinion and to the best of our information and according to the explanations given to us, no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
 - ii. In our opinion and to the best of our information and according to the explanations given to us no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - iii. Based on audit procedure which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause(i) and (ii) contain any material mis-statement.
- i) The company has proposed dividend of Rs.0.20 (10% of Face value) per equity share of the face value of Rs.02 each for the financial year 2021-22 and nothing is contravening the sec.123 of the companies act,2013.
2. As required by Companies (Auditor's Report) order, 2020, issued by Central Government in terms of Section 143 (11) of the companies Act 2013, we give in the "Annexure A" statement on matters specified in paragraph (3) and (4) of said order

"As per our report of even date"
For, M/s Gojanur & Co.,



Chartered Accountants
FRN: 000941S
R.R.C.No.011335

Date: 09th, May 2022
Place: Shivamogga

G. M. Channappa Setty)

Proprietor

M. No: 020227

UDIN: 22020227AKYWOO7555



ANNEXURE-A TO THE AUDITOR'S REPORT

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE ON STANDALONE FINANCIAL STATEMENTS OF "VISHWARAJ SUGAR INDUSTRIES LIMITED" FOR THE YEAR ENDING 31st MARCH, 2022.

1. In respect of the Company's fixed Assets:

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

(b) According to information and explanation given to us the fixed assets have been physically verified by the Management during the year in a phased programme which in our opinion is reasonable having regard to the size of the company and the nature of the assets. No material discrepancies were noticed on such verification.

(c) The company has not revalued its property, plant and equipment or intangible assets during the year.

(d) To the best of our knowledge, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami transactions (Prohibition) Act, 1988 and rules made thereunder.

(e) 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 and are deposited with Bank of India, State Bank of India, and BDCC Bank.

Some of the Properties are being held by way of General Power of Attorney in the name of Shri. Mallikarjun Kadavya Pajar, the Ex-Director and present CAO of the Company held on behalf of the Company. The details are furnished below: (refer note:52)

Sl No.	Survey No.	Name of the owner/s	Area		Date of GPA	Document No.	Amount Paid (Rs. in Lakhs)
			Acres	Guntas			
1	204/2A	Shri Jotiba Bharmanna More	0	20	30.12.2016	508/2016-17	3.00
2	206/A	1. Shri Narayan Balkrishna Sutar 2. Shri Chudappa Balkrishna Sutar	0	33	30.12.2016	509/2016-17	5.00
3	206/B	1. Smt. Savitri W/O Yallappa Pawashe 2. Smt. Janabai W/O Dhankalu Gurav 3. Shri Yallappa S/O Dhankalu Gurav	2	20	14.03.2017	620/2016-17	6.00





4	207/1	1.Smt. Renuka W/O Late Tippanna Talwar	0	36	28.12.2018	667/2018- 19	8.10
		2. Shri. Nagaraj S/O. Tippanna Talwar					
5	206/1	Shri. Rajaram Balappa Chigare	0	33	28.12.2018	670/2018- 19	7.43
6	207/1	Shri. Monappa Ganesh Talwar	0	36	28.12.2018	664/2018- 19	8.10
7	207/1	1.Smt. Anandi W/O. Late Dudappa Talwar	0	36	28.12.2018	665/2018- 19	8.10
		2. Shri. Pundalik S/O. Dudappa Talwar Talwar					
		3.Smt. Mayuri W/O. Pundalik Talwar					
		4.Shri. Bharat S/O. Dudappa Talwar					
8	206/A	1.Shri Shankar Arjun Gurav	0	30	28.12.2018	655/2018- 2019	6.75
		2.Shri Bharna Arjun Gurav					
		3.Devappa Arjun Gurav					
9	206/A	Shri. Devappa Kumanna Gurav	0	12	28.12.2018	657/2018- 19	2.70
10	207/1	1. Smt. Laxmi W/O. Late Yavagappa Talwar	0	36	28.12.2018	663/2018- 19	8.10
		2. Shri. Pandurang S/O. Yavagappa Talwar					
		3. Smt. Droupada W/O. Pandurang Talwar					
		4. Shri. Balu S/O. Yavagappa Talwar					
11	206/A	Shri. Maruti Yallappa Humarwadi	0	33	28.12.2018	671/2018- 19	7.43
12	206/A	Shri. Raghunath Krishna Hurakadli	0	13	28.12.2018	661/2018- 19	2.93
13	206/A	1.Shri. Jayram Kallappa Patil	1	5	28.12.2018	659/2018- 19	10.13
		2.Smt. Madhu Jayram Patil					





		3.Smt. Sushma Madhu Patil					
		4. Shri. Pundalik Jayram Patil					
14	206/B	Smt. Yeshodha Parashuram Gawade	0	26	28.12.2018	656/2018-19	5.85
15	206/A	Shri. Ravali Shankar Motankar	0	13	28.12.2018	672/2018-19	2.93
16	206/A	Shri. Narayan Krishna Yallurkar	1	0	28.12.2018	660/2018-19	9.00
17	207/1	Shri. Babu Basawant Talwar	0	36	28.12.2018	662/2018-19	8.10
18	206/A	Shri. Babu Somanna Motankar	1	0	28.12.2018	668/2018-19	9.00
19	206/A	Shri.Rajaram Vasu Golyalkar	1	10	09/07/2021	00152/21-22	3.75
20	206/A	Shri. Mallappa Vasu Golyalkar	2	25	09/07/2021	00153/21-22	7.50
21	206/A	Shri.Govind Vasu Golyalkar	1	10	09/07/2021	00154/21-22	3.75
22	206/A	Shri. Nago Somanna Motankar	1	10	09/07/2021	0155/21-22	3.75
23	206/A	Shri.Rama Yallappa Gavali	1	10	09/07/2021	0156/21-22	3.75
24	206/A	Shri.Gangaram Tanji Gavali	2	20	09/07/2021	0157/21-22	7.50
25	206/A	Shri. Jayram Kumanna Gurav	2	0	09/07/2021	0158/21-22	6.00
26	206/A	Shri.Marutirao @Maruti Somanna @Somanath Motankar	1	10	09/07/2021	0160/21-22	3.75
27	206/A	1.Smt. Anandabai W/O. Late Narayan Sutar	1	11	09/07/2021	00161/21-22	3.83
		2. Shri. Pandu S/O Narayan Sutar					
		3. Smt. Pooja W/O Pandu Sutar					





		4. Shri Vishwanath S/O. Narayan Sutar					
		5. Smt. Laxmi W/O. Vishwanath Sutar					
		6. Smt. Vaishali W/O Suresh Kammar					
28	206/A	1. Shri. Gangaram S/O. Late Kallappa Patil	0	25	12/07/2021	00171/21- 22	1.50
		2. Smt. Renuka W/O. Gangaram Patil					
29	206/A	Shri. Yallappa Nagappa Gurav	0	27	12/07/2021	00172/21- 22	2.03
30	206/A	1. Shri. Parushram Gavadu Patil	0	20	12/07/2021	00173/21- 22	1.50
		2. Smt. Malu W/O. Parashuram Patil					
		3. Smt. Deepa W/O. Dinesh Bilagoji					
31	206/A	Shri. Dashrath Yallappa Chigare	0	23	12/07/2021	00174/21- 22	1.73
32	206/A	Shri. Khirappa Devappa Sutar	0	35	12/07/2021	00176/21- 22	2.63
33	206/A	Smt. Laxmi W/O. Vasant Sutar	0	34	12/07/2021	00177/21- 22	2.55
		Shri. Devendra S/O. Late Vasant Sutar					
		Smt. Rekha W/O. Devendra Sutar					
34	206/A	Shri. Madhu @ Madhukar Dattu Sutar	0	32	12/07/2021	00178/21- 22	2.40
35	206/A	Shri. Ramchandra Devappa Sutar	0	32	12/07/2021	00180/21- 22	2.40
36	206/A	1. Shri. Jayaram S/O. Late Kallappa Patil	0	24	12/07/2021	00181/21- 22	1.80
		2. Shri Baban S/O Jayaram Patil					
		3. Rekha W/O. Baban Patil					
37	206/A	1. Smt. Parvati W/O Babu Sutar	0	25	12/07/2021	00182/21- 22	1.88
		2. Smt. Punam W/O					





		Parasuram Sutar					
		3. Shri. Parthamesh S/O Parasuram Sutar					
38	206/A	Shri.Basavanni Irappa Chigare	2	20	24/09/2021	00417/21-22	10.25
39	204*/1	Shri.Prabhakar Arjun Jadav	2	20	27/10/2021	00475/21-22	10.55
		Shri. Balakrishna Arjun Jadhav					
40	206/A	1. Shri. Kallappa Shivappa Patil	3	30	30/11/2021	00527/21-22	11.65
		2. Yallappa S/O Gavadu Patil					
41	206/A	Shri. Somanath Shivaji Sutar	2	24	30/11/2021	00528/21-22	10.25
42	206/A	1. Shri Ravalu Shankar Motankar	0	27	14/02/2022	00767/21-22	2.03
		2. Smt.Deepa W/O Ravalu Motankar					
		3. Mr. Rutik D/O Ravalu Montankar					
		4. Master Sandesh S/O Ravalu Montankar					
43	207/7	Shri. Yallappa Nagappa Gurav	0	20	15/02/2022	00771/21-22	1.50
44	206/A	Shri. Gavadu Kallappa Patil	0	30	18/02/2022	00785/21-22	1.95
45	206/A	Shri Maruti Somanna Yallurkar	0	25	25/02/2022	00811/21-22	6.06
46	204*/1	1. Smt. Shobha Dashrut Biraje	1	13	25/02/2022	00812/21-22	12.56
		2. Shri Prabhakar Dasharat Biraje					
47	206*/A	1. Shri. Mallavva W/O Dhakalu Hurakadli	0	25	28/02/2022	00817/21-22	6.07
		2. Shri Monappa S/O Dhakalu Hurakadli					
		3. Shri Laxman S/O Dhakalu Hurakadli					
		4. Shri. Ramappa S/O Shakalu Hurakadli					





48	206/A	Shri.Mallappa @ Yallappa Somanna Yallurkar	0	26	16.03.2022	00886/21- 22	6.06

- (a) According to the information and explanation given to us the inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- (b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) Company is maintaining proper records of inventory and there is no material discrepancies noticed on physical verification.
- (d) The Company has been sanctioned working capital limits in excess of Rs. 5 crores by banks during the year. The quarterly returns or statements filed by the company with banks are in agreement with the books of account of the Company.
2. The Company has not made investment, or security or granted any loans to companies, firms, Limited Liability Partnerships or other parties except for the corporate guarantee towards the Harvesting and Transportation Loan sanctioned to Sugarcane Harvesting & Transportation contractors from banks to the extent of Rs.80 Crores who are in agreement with the company for Harvesting & Transportation contract which is done in the normal course of business.
3. The Company has not granted any advances during the year to parties covered in the register maintained under section 189 of the Companies Act, 2013 except following which are in compliance with the said section.

PURCHASE ADVANCE	(Rs. in Lakhs)	
	2021-22	2020-21
Nikhil U Katti	40.78	40.78
Lava R Katti	52.47	52.47
Kush R Katti	57.24	57.24

4. In our opinion and according to the information and explanations given to us, the company has not granted any loans and not made any investments, security & guarantees covered under section 185 and 186 of the Companies Act, 2013.
5. In our opinion and according to the information and explanation given to us, the company has not accepted Deposits from public hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.





6. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for maintenance of cost records prescribed under section 148(1) of the Companies Act, 2013 and are of the opinion that Prima facie the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the same. And the same have been audited by independent cost auditor.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us, the following amounts payable in respect of statutory dues were in arrears due to disputes as at 31-03-2022 for a period of more than six months from the date they became payable:

Sl.No	Particulars	Amount (in lakhs)
1	Central Excise, Belgaum Show Cause Notice	87.85
2	Central Excise, Bangalore (Appeals)	974.43
3	High Court, Karnataka, Appeal for Sugar Cess	252.80

8. According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. In our opinion and according to the information and explanation given to us the company has not defaulted in repayment of dues to any financial institutions.
10. a) The Company has not defaulted in repayment of loans or borrowings or in interest to any lender.
b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
c) In our opinion, the term loans were applied for the purpose for which the loans were obtained.
d) In our opinion, funds raised on short term basis have not been utilised for long term purposes.
e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.





11. Based upon the audit procedures performed and the information and explanations given by the management, opinion, the no money is raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purpose for which those were raised. The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
12. Based upon the audit procedures performed and the information and explanations given by the management, we report that :
 - a) No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
 - b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
 - c) No whistle-blower complaints had been received by the Company during the year.
13. In our opinion, the Company is not a Nidhi Company as defined in section 406 of the Companies Act, 2013. Therefore, the provisions of clause 71(a),(b) & (c) of the Order are not applicable to the Company.
14. According to information and explanations given to us and on the basis of our examination of the books of account, records, and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of the Companies Act. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and the details have been disclosed in the financial statements. (*refer note.32 to the Financial Statements*)
15. The the Company has an internal audit system commensurate with the size and nature of its business and the reports of the Internal Auditors for the period under audit were considered by us.
16. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
17.
 - (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
 - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
 - (d) The Group does not have not more than one CIC as part of the Group.





18. The company has not incurred any cash losses during the financial year and in the immediately preceding financial year.
19. There has been no resignation of the statutory auditors during the year. The previous year auditor has continued as the statutory auditor for the current year.
20. On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date
21. The Company is not liable to Corporate Social Responsibility expenditure as per company's act, 2013 during the reporting period.
22. The company is not required to prepare Consolidated financial statement and hence this clause is not applicable.

"As per our report of even date"

For, M/s Gojanur & Co.,
Chartered Accountants

FRN : 000941S
R.C.No. 011335



(G. M. Channappa Setty)

Proprietor

M. No: 020227

UDIN: 22020227AKYWOO7555

Date: 09th, May 2022
Place: Shivamogga



ANNEXURE(B)
TO THE AUDITOR'S REPORT OF EVEN DATE ON STANDALONE FINANCIAL
STATEMENTS OF "VISHWARAJ SUGAR INDUSTRIES LIMITED" FOR THE
YEAR ENDING 31st MARCH, 2022.

REPORT ON INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB SECTION 3 OF SECTION 143 OF COMPANIES ACT, 2013.

We have audited the internal financial controls over financial reporting of "VISHWARAJ SUGAR INDUSTRIES LIMITED" as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the 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 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 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 2022, 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 ICAI.

For, M/s Gojanur & Co.,
Chartered Accountants



FRN: 0009415
P.R.C.No.011335

(Signature)

Date: 09th, May 2022
Place: Shivamogga

(G. M. Channappa Setty)
Proprietor

M. No: 020227

UDIN: 22020227AKYWOO7555

VISHWARAJ SUGAR INDUSTRIES LIMITED, BELLAD - BAGEWADI

Registered Office: Bellad Bagewadi, Taluka Hukkeri, District Belgaum – 591 305

(CIN: L85110KA1995PLC017730)

AUDITED STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2022

(Rs.in Lakhs)

PARTICULARS	Note No.	2022	2021
Income			
Revenue from operations	19	46875.10	42646.38
Other income	20	152.31	61.41
Total Revenue		47027.41	42707.79
Expenses			
Cost of materials consumed	21	39153.56	31119.71
Changes in inventories	22	(7931.42)	545.60
Other Manufacturing expenses	23	3563.11	1968.77
Excise and Service Tax	-	0.00	0.00
Employee benefits expense	24	1834.86	1384.09
Finance costs	25	3227.91	3565.72
Depreciation and amortization expense	2	1551.25	1474.74
Other expenses	26	910.11	1426.21
Total Expenses		42309.38	41484.84
Profit before tax		4718.03	1222.95
Tax expense			
(1) Current tax		347.44	211.37
(2) Excess tax Provision reversed FY 2020-21		(211.37)	0.00
(3) Deferred tax		(1,434.08)	182.28
Profit for the year		6016.04	829.29
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss		17.84	-35.79
Tax on items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss:			
Tax on items that may be reclassified to profit or loss		0.00	0.00
Items that may be reclassified subsequently to profit or loss		0.00	0.00
Total other comprehensive income/(loss) for the year, net of tax		-	-
Total comprehensive income for the year		6033.88	793.50
Earnings per share:			
Basic earnings per share of 2/- each		3.21	0.42
Diluted earnings per share of 2/- each		3.21	0.42

The accompanying Significant accounting policies and notes form an integral part of the financial statements.

"As per our report of even date"

For M/s. GOJANUR & CO.

Chartered Accountants

FRN.000941S

P.R.C.No.011335



(CA. G.M.CHANNAPPA SETTY)

PROPRIETOR

M.No: 020227

UDIN:22020227AKYW007555

Place: Belgaum.

Date: 09th May,2022.

For and on behalf of Board

(Signature)
 (Nikhil U. Katti) Managing Director
 DIN.02505734

(Signature)
 (Mukesh Kumar) Executive Director
 DIN.02827073

(Signature)
 (Sheshagiri H Kulkarni)
 Chief Financial officer

(Signature)
 (CS.Priya Dedhia)
 Company Secretary

VISHWARAJ SUGAR INDUSTRIES LIMITED, BELLAD - BAGEWADI

Registered Office: Bellad Bagewadi, Taluka Hukkeri, District Belgaum - 591 305
(CTIN: L85110KA1995PLC017730)

AUDITED BALANCE SHEET AS AT 31st MARCH, 2022

(Rs.in Lakhs)

Particulars	Note No.	2022	2021
ASSETS			
Non-current assets			
Property plant and Equipment	2	29961.33	28218.15
Capital Work Inprogress	2	0.00	0.00
Intangible assets		0.00	0.00
Financial assets			
Investments	3	130.74	130.74
Other financial assets	4	309.57	384.76
Deferred tax Assets (net)	14	1352.68	0.00
Other non current assets	5	0.00	0.00
		31954.32	28733.65
Current assets			
Inventories	6	36679.81	28571.73
Financial assets			
Investments	3	0.00	0.00
Trade receivables	7	3224.51	2996.99
Cash and cash equivalent	8	1226.70	4837.22
Other Bank Balances	9	89.35	48.60
Other financial assets	4	5.92	2.99
Other current assets	5	3774.97	6011.31
		45001.26	42468.83
		76955.57	71202.49
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	3755.60	3755.60
Other Equity	11	24503.25	18844.93
		28258.85	22600.53
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	12	8969.30	10242.93
Long Term Provisions	13	289.20	273.51
Deferred tax liabilities (net)	14	0.00	81.40
Other non-current liabilities	15	0.00	0.00
		9258.50	10597.84
Current liabilities			
Financial Liabilities			
Borrowings	12	28074.25	27382.80
Trade payables	16	9375.68	6674.48
Other financial liabilities	17	640.10	322.13
Other current liabilities	15	608.14	3023.03
Provisions	18	740.65	601.68
		39438.22	38004.11
		76955.57	71202.49
TOTAL		76955.57	71202.49

The accompanying notes 01 to 53 form an integral part of the financial statements.

"As per our report of even date"

For M/s. GOJANUR & CO

Chartered Accountants

FEN.000941S

P.R.C.No.011335

(CA. G.M.CHANNAPPA SETTY)

PROPRIETOR

M.No: 020227

UDIN:22020227AKYWOO7555

Place: Belgaum.

Date: 09th May,2022.

For and on behalf of Board

(Nikhil U. Katti)
Managing Director
DIN.02505734

(Mukesh Kumar)
Executive Director
DIN.02827073

(Sheshagiri H. Kulkarni)
Chief Financial officer

(CS.Priya Dedhia)
Company Secretary

VISHWARAJ SUGAR INDUSTRIES LIMITED, BELLAD - BAGEWADI
Registered Office: Bellad Bagewadi, Taluka Hukkeri, District Belgaum - 591 305
(CIN: L85110KA1995PLC017730)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(Rs.in Lakhs)

Particulars	2022	2021
Cash Flows from Operating Activities		
Net profit before tax	4718.03	1222.95
Adjustments for :		
Depreciation and amortization expense	1551.25	1474.74
Finance Cost	3227.91	3565.72
Dividend Income	(13.71)	0.00
(Profit)/Loss on sale of assets	0.00	(2.92)
Operating profit before working capital changes	9483.48	6260.49
Movements in Working Capital		
(Increase)/Decrease in Trade Receivables	(227.51)	(471.10)
(Increase)/Decrease in Other financial assets	(127.74)	138.47
(Increase)/Decrease in Inventories	(8108.09)	463.39
(Increase)/Decrease in Other Current Assets	2236.35	(734.95)
(Increase)/Decrease in Other Non Current Assets	0.00	0.00
Increase/(Decrease) in Trade Payables	2701.20	462.73
Increase/(Decrease) in Other financial liabilities	317.97	(696.47)
Increase/(Decrease) in Other Current liabilities	(2414.88)	122.99
Increase/(Decrease) in Long Term Provisions	15.69	76.90
Increase/(Decrease) in Short Term Provisions	(219.35)	178.92
Changes in Working Capital	(5826.36)	(459.11)
Cash generated from operations	3657.11	5801.37
Interest received on Deposits		
Direct Taxes Paid	(136.06)	(211.37)
Net Cash from operating activities (A)	3521.05	5590.00
Cash flows from Investing Activities		
Dividends Received	13.71	-
Purchase of Fixed Assets (Including CWIP)	(3323.46)	(874.06)
Sale of Fixed Assets	29.03	21.35
Purchase/Sale of Investment	0.00	0.00
Net Cash used in Investing Activities	(3280.72)	(852.71)
Cash flows from/(used in) Financing Activities		
Proceeds from Long term borrowings	(1,273.63)	2,198.35
Repayment/(Proceeds) of/from Short-term borrowings	691.45	745.91
Interest paid	(3227.91)	(3565.72)
Proceedings from Share Issue	0.00	0.00
Premium on Share Issue	0.00	0.00
Net Cash used in Financing Activities	(3810.10)	(621.45)
Net Increase/(Decrease) in cash and cash equivalents	(3569.77)	4115.83
Cash and Cash equivalents at the beginning of the year:	4885.82	769.99
Cash and Cash equivalents at the ending of the year	1316.05	4885.82

Notes :-

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

2. The accompanying notes are an integral part of the financial statements.
 "As per our report of even date"



3. Ind AS 7 cash flow requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liability arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet disclosure requirement.

Particulars	As at 31st March, 2021	Cash flows	As at 31st March, 2022
Borrowings - Non Current	10,243	-1,274	8,969
Borrowings - Current	27,383	691	28,074

1 A) Components of cash & cash equivalents

	As at 31st March, 2021	As at 31st March, 2022
1. Cash on hand	8.61	19.92
2. Cheques on hand	0.00	0.00
3. Balances with banks		
- In Current accounts	1,207.68	4,817.30
- Unclaimed (Unpaid) Dividend Bank Account	10.41	0.00
- Margin Money Deposit Accounts (against Bank Guarantees)	89.35	48.60
Cash & cash equivalents as above	1,316.05	4,885.82

For M/s. GOJANUR & CO

Chartered Accountants

FRN.000941S

P.R.C.No.011335

G.M. Channappa Setty



(CA. G.M.CHANNAPPA SETTY)

PROPRIETOR

M.No: 020227

UDIN:22020227AKYW007555

Place: Belgaum.

Date: 09th May, 2022.

For and on behalf of Board

Nikhil U. Katti

(Nikhil U. Katti)
Managing Director
DIN.02505734

Mukesh Kumar

(Mukesh Kumar)
Executive Director
DIN.02827073

Sheshagiri H Kulkarni
(Sheshagiri H Kulkarni)
Chief Financial officer

P.M. Dedhia
(CS.Priya Dedhia)
Company Secretary

Vishwaraj Sugar Industries Limited
Registered Office: Bellad Bagewadi, Taluk: Hukkeri District: Belagavi, Karnataka -591305
(CIN:L85110KA1995PLC017730)

SEGMENT INFORMATION FOR THE YEAR ENDED 31.03.2022

Particulars	Rs. In lakhs	
	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
I. Segment revenue		
–Income from Operations		
(a) Sugar	27,289.04	32,641.70
(b) Co-generation	2,480.75	2,678.80
(c) Distillery	15,042.56	5,859.44
(d) IML	-	-
(e) Vinegar Unit	1,929.48	1,319.30
–Other operating income		
(a) Others	133.27	147.14
(b) Unallocable revenue	-	-
Total		
Less: Inter segment revenue		-
Income from operations (net)	46,875.10	42,646.38
2. Segment Results		
(a) Sugar	(11,964.33)	(5,141.91)
(b) Co-generation	2,480.42	1,302.24
(c) Distillery	15,876.00	9,349.81
(d) IML	45.39	(70.04)
(e) Vinegar Unit	1,418.66	(2.77)
Less: Unallocable (expenditure)/revenue:		
Total		
(a) Finance Costs	3,227.91	3,565.72
(b) Other expenditure (net of other income)	(89.81)	648.68
Profit before tax	4,718.03	1,222.95
	(0.00)	(0.00)
3. Segment Assets		
(a) Sugar	19,445.27	22,451.28
(b) Co-generation	7,157.41	6,965.91
(c) Distillery	3,998.29	4,024.85
(d) IML	337.02	380.89
(e) Vinegar Unit	2,334.28	2,382.24
(f) Un-allocable	43,683.31	34,997.32
Total assets	76,955.57	71,202.49
	(0.00)	0.00



4. Segment liabilities		
(a) Sugar	42,070.93	41,830.22
(b) Co-generation	1,625.00	2,725.00
(c) Distillery	2,025.00	2,250.00
(d) IML	-	-
(e) Vinegar Unit	-	-
(f) Un-allocable	31,234.64	24,397.27
Total liabilities	76,955.57	71,202.49

"As per our report of even date"

For M/s. GOJANUR & CO

Chartered Accountants

FRN.000941S

P.R.C.No.011335



(CA. G.M.CHANNAPPA SETTY)

PROPRIETOR

M.No: 020227

UDIN:22020227AKYWOO7555

Place: Belagavi.

Date: 09th May,2022.

For and on behalf of Board

(Nikhil U. Katti)
Managing Director
DIN.02505734

(Mukesh Kumar)
Executive Director
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VISHWARAJ SUGAR INDUSTRIES LIMITED, BELLAD - BAGEWADI
Registered Office: Bellad Bagewadi, Taluka Halkeri, District Belgaum - 591 305
(CIN: L85110KA1995PLC017730)

Statement of changes in equity

Statement of changes in equity for the period ended 31.03.2022

2021-22

Equity share capital	(Rs.in Lakhs)				
	Opening balance as at 01/04/2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01/04/2021	Changes in equity share capital during the year	Closing balance as at 31/03/2022
18,77,80,000 Equity Share of Rs.2/- each fully paid up	3,756	-	3,756	3,756	3,756
	3,756	-	3,756	3,756	3,756

PARTICULARS	RETAINED EARNINGS	GENERAL	CAPITAL RESERVE	ACTUARIAL	TOTAL EQUITY
Balance as at 1/4/2021	15,803.83	-	2,966.39	74.72	18,844.92
Profit for the year	6,016.04	-	-	-	6,016.04
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	17.84	17.84
Proposed Dividend*	(375.56)	-	-	-	(375.56)
Balance as at 31/03/2022	21,819.87	-	2,966.39	92.56	24,503.25

* Dividend has been proposed by the board at 10% of the Paid up share capital and subjected to approval by the shareholders in the Annual general meeting.

2020-21

Equity share capital	(Rs.in Lakhs)				
	Opening balance as at 01/04/2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01/04/2020	Changes in equity share capital during the year	Closing balance as at 31/03/2021
3,75,56,000 Equity Shares of Rs.10 each, fully paid up	3,756	-	-	3,756	-
	3,756	-	-	3,756	-

PARTICULARS	RETAINED EARNINGS	GENERAL RESERVE	CAPITAL RESERVE	ACTUARIAL GAINS OR LOSSES	TOTAL EQUITY
Balance as at 1/4/2020	15,350.08	-	1,466.39	110.51	16,926.98
Profit for the year	829.29	-	1,500.00	-	2,329.29
Actuarial gain/(loss) on post-employment benefit obligations, net of tax benefit	-	-	-	(35.79)	(35.79)
Proposed Dividend*	(375.56)	-	-	-	(375.56)
Balance as at 31/03/2021	15,803.81	-	2,966.39	74.72	18,844.93



Debtors of Ratios for the year 2021-22

Ratio	Formula	Value	2021-22 Ratio	Value	2020-21 Ratio	% of Change
1 Current Ratio	Current Assets	44,996.20	1.14	47,448.85	1.12	2%
	Current Liabilities	29,432.73		34,004.12		
2 Debt Equity	Share Capital + Long term debt - other fixed payments	48,691.25	1.72	48,691.96	2.15	-29%
	Share holders equity	28,259.27		22,690.53		
3 Debt Service Coverage Ratio =	EBITDA available for debt service	12,009.25	2.68	6883.41	1.26	53%
	Debt Service	4,501.54		5565.72		
4 Return on Equity (ROE)	Net Income after taxes - Preference Dividend (if any)	6,034.20	0.21	791.50	0.04	518%
	Average Shareholder's Equity	28,259.27		22,690.53		
5 Inventory TO Ratio	Sales	49,875.10	1.44	42,646.38	1.49	-4%
	Avg Inventory	32,625.78		28,571.73		
6 Trade Receivables TO Ratio	Net Credit Sales	3,724.51	1.04	2,996.99	1.04	-4%
	Avg Trade Receivables	3,110.75		2,761.45		
7 Trade Payables TO Ratio	Net Credit Purchases	9,370.23	1.17	6074.08	1.0391	13%
	Avg Trade Payables	8,022.35		6443.15		
8 Net capital turnover ratio =	Net Sales	46,875.10	0.25	42646.38	1.10477	-78%
	Average Working Capital	5,014.11		2208.91		
9 Net Profit Margin (in %)	PAI	6,034.20	12.83	795.50	1.86	941%
	Total Revenue	47,027.41		42,707.79		
10 Return on capital employed (ROCE)	EBITDA	7,946.26	21.16	4788.67	0.14	14584%
	Capital Employed	37,517.27		33198.37		
11 Return on Investment	(NAV(T1) - NAV(T0)) / Sum [(W1) * C10]	14.84	-41.08	-11.57	0.89	-1231%
	(NAV(T1) - NAV(T0)) / Sum [(W1) * C10]	24.94		47.84		

Explanation: There has been an increase in profitability of the company due to the efficiency of its machinery unit and due to the government ethanol policy supporting the supply and pricing of ethanol from sugar industries to OMC. Further the government policies in respect to sugar also have resulted in stable prices and led to increase in profit.

W1) - Weight of the net cash flow (i.e. either net inflow or net outflow) on day '1', calculated as $\frac{TT1 - TT0}{TT1}$

TT1 - End of time period
 TT0 - Beginning of time period
 C - Specific date falling between T1 and T0
 NAV(T1) - Market Value at T1
 NAV(T0) - Market Value at T0
 C10 - Cash inflow, cash outflow, or specific date

Explanation: There has been an increase in profitability of the company due to the efficiency of its machinery unit and due to the government ethanol policy supporting the supply and pricing of ethanol from sugar industries to OMC. Further the government policies in respect to sugar also have resulted in stable prices and led to increase in profit.



VISHWARAJ SUGAR INDUSTRIES LIMITED

Note.1. Overview and notes to the financial statements

1.1. Company overview:

Vishwaraj Sugar Industries Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 having its registered office at BelladBagewadi, Taluka Hukkeri, Belgaum – 591 305, Karnataka, India. The company's operations comprises of Production of sugar, alcoholic spirits by distillation including ethanol, blending and bottling of Indian made foreign liquor (IMFL), vinegar and generation of power.

These financial statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act 2013 in conformity with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India

1.2. Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standard (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 ("the 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 relevant amendment rules issued thereafter. 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. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year figures reported in this statement.

1.3. Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the 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. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the 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.



VISHWARAJ SUGAR INDUSTRIES LIMITED

1.4. Critical accounting estimates and judgments

Revenue Recognition:

The Company recognizes revenue from Sale of Goods when it transfers the property in Goods to the buyer for a price or all significant risks and rewards of ownership has been transferred to the buyer and no significant uncertainty exists as to the amount of consideration that would be derived from such sale. The recognition event is usually the dispatch of goods to the buyer such that the Company retains no effective control over the goods dispatched. Sales have been stated exclusive of Excise Duty (except IMFL sales) and GST. Other revenue is recognized only when it is reasonably certain that the ultimate collection will be made. The same is in compliance with Ind AS-18 to the extent applicable.

1.5. Property, plant and equipment

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 the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on reference with Schedule-II to the Companies Act, 2013 and historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

1.6. Leases

Interests in leasehold land are recorded and classified as operating leases or finance leases as per set definition and classification criteria. An important consideration is that the land has an indefinite economic life. Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset.

1.7. Allowance for credit losses on receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and it operates. In calculating expected credit loss, the Company has also considered related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.



VISHWARAJ SUGAR INDUSTRIES LIMITED

1.8. Income taxes:

The company has made Provision for Current taxes as per sec.115BAA tax rate as per Income tax act,1961 during the year. The option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance 2019. Accordingly, the Company has recognised provision for the income tax for the year ended 31.03.2022.

In assessing the realizability of deferred income tax assets, the Management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.



2. Property, plant and equipment.

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	As at 1 April 2021	Additions	Disposals	As at 31 March 2022	As at 1 April 2021	For the year	Impairment for the year	Disposals	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
	Land	588.88	152	-	741.03	-	-	-	-	-	741.03
Factory Buildings	4,957.28	625.90	-	5,583.18	841.03	206.31	-	-	1,047.34	4,535.84	4,116.25
Other Building	3,249.24	25.42	-	3,274.67	262.47	53.80	-	-	316.27	2,958.40	2,986.77
Plant and equipment	25,336.04	2,428.55	29.03	27,735.56	5,149.69	1,225.95	-	-	6,375.64	21,359.92	20,186.35
Vehicles	428.21	36.42	-	464.63	145.23	40.18	-	-	185.41	279.23	282.98
Office Equipment	46.19	52.52	-	98.71	32.79	15.41	-	-	48.19	50.51	13.40
Furniture & Fixtures	91.30	2.50	-	93.80	47.79	9.60	-	-	57.39	36.41	43.51
	34,697.15	3,323.46	29.03	37,991.58	6,479.00	1,551.25	-	-	8,030.25	29,961.33	28,218.15
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-
Total	34,697.15	3,323.46	29.03	37,991.58	6,479.00	1,551.25	-	-	8,030.25	29,961.33	28,218.15

Note: Depreciation is calculated as per schedule II of Companies act, 2013.

Particulars	Gross carrying value				Accumulated depreciation / impairment					Net carrying value	
	(Restated)				(Restated)					Net carrying value (Restated)	
	As at 1 April 2020	Additions	Disposals	As at 31 March 2021	As at 1 April 2020	For the year	Impairment for the year	Disposals	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Land	588.88	-	-	588.88	-	-	-	-	-	588.88	588.88
Factory Buildings	4,462.68	494.60	-	4,957.28	648.13	192.90	-	-	841.03	4,116.25	3,814.55
Other Building	3,249.24	-	-	3,249.24	209.08	53.39	-	-	262.47	2,986.77	3,040.16
Plant and equipment	25,040.36	305.85	10.17	25,336.04	3,977.36	1,173.10	-	1	5,149.69	20,186.35	21,063.01
Vehicles	396.94	69.64	38.36	428.21	138.70	35.85	-	29.33	145.23	282.98	258.23
Office Equipment	43.82	2.37	-	46.19	25.10	7.68	-	-	32.79	13.40	18.71
Furniture & Fixtures	89.70	1.60	-	91.30	35.98	11.81	-	-	47.79	43.51	53.72
	33,871.62	874.06	48.53	34,697.15	5,034.36	1,474.74	-	30.10	6,479.00	28,218.15	28,837.26
Capital Work in progress	1,126.02	-	1,126	-	-	-	-	-	-	-	-
Total	34,997.64	874.06	1,174.55	34,697.15	5,034.36	1,474.74	-	30.10	6,479.00	28,218.15	28,837.26

* The Capital WIP amount reflected in the Disposal column is actually the amount transferred from Capital WIP to the Respective Capital Assets when capitalised.



3. Investments

(Rs.in Lakhs)

Particulars	2022		2021	
	Current	Non Current	Current	Non Current
Unquoted investments in equity instruments at FVTPL				
Bellad Bagewadi Urban Souhard Sahakari Shares (100 shares of Rs.10/- each)	-	0.10	-	0.10
BDCC Bank Shares (26128 shares of Rs.500/- each)	-	130.64	-	130.64
Equity Shares Fully Paid-up (unquoted)	-	130.74	-	130.74
Aggregate amount of unquoted investments	-	130.74	-	130.74
Total Investments	-	130.74	-	130.74

4. Other Financial Assets

(Rs.in Lakhs)

Particulars	2022		2021	
	Current	Non Current	Current	Non Current
Security Deposits	-	509.57	-	384.76
Other Financial Assets	5.92	-	2.99	-
TOTAL	5.92	509.57	2.99	384.76

5. Other Non Current Assets and Current Assets

(Rs.in Lakhs)

Particulars	2022		2021	
	Current	Non Current	Current	Non Current
Deposits/Balances with Statutory Authorities	793.23	-	376.24	-
Other Current Assets (includes Advances to Suppliers & Service)	2,981.74	-	5,635.07	-
TOTAL	3,774.97	-	6,011.31	-

6. Inventories

(Rs.in Lakhs)

Particulars	2022	2021
	Current	Current
Valued at lower of cost and net realisable value.		
-Raw Materials	11,275.67	7,250.89
-Process Stocks	-	-
-Stores & Spares	1,029.85	853.19
-Finished Goods	24,374.29	20,467.65
TOTAL	36,679.81	28,571.73



7. Trade receivables

(Rs.in Lakhs)

Particulars	2022	2021
	Current	Current
Trade Receivables		
Unsecured, considered good		
Related Parties		
-Doubtful		
-Other Debts -Good	71.08	43.28
Others		
-Doubtful		
-Other Debts -Good	3,876.74	4,202.94
	3,947.82	4,246.22
Less: Allowances for credit losses	723.32	1,249.22
Less: Bad debts Written off	-	-
TOTAL	3,224.51	2,996.99

Trade Receivables Classification

(Rs.in Lakhs)

Particulars	2022	2021
	Unsecured	
O/s More than six months		
- Promoter/Promoter group	23.07	13.85
- Others	1,112.67	2,045.21
O/s Less than six months		
- Promoter/Promoter group	48.01	29.43
- Others	2,764.08	2,157.73
	3,947.82	4,246.22

Note: For Ageing schedule of Trade Receivable refer note no.50

8. Cash and Cash Equivalents

(Rs.in Lakhs)

Particulars	2022	2021
	a) Cash and Cash equivalents	
i) Cash on hand	8.61	19.92
ii) Balances with banks		
- Current Accounts	1,207.68	4,817.30
- On Deposit Accounts	-	-
iii) Unclaimed (unpaid) Dividend Bank Account	10.41	-
	1,226.70	4,837.22

9. Other Bank Balances

(Rs.in Lakhs)

Particulars	2022	2021
	b) Other Bank Balances (with restricted use)	
(i) Margin Money Deposit Accounts (against Bank Guarantees)	89.35	48.60
Total	89.35	48.60



10.Share Capital

Particulars	(Rs.in Lakhs)			
	2022		2021	
Authorized Share Capital 30,00,00,000 Equity Shares of Rs.2 each* (Previous year :6,00,00,000 Equity Shares of Rs.10 each)	6000.00		6000.00	
Issued Subscribed and Paid up Share Capital 18,77,80,000 Equity Share of Rs.2/- each fully paid up* (Previous year :3,75,56,000 Equity Shares of Rs.10 each, fully paid up)	3755.60		3755.60	
	3755.60		3755.60	
Details of shareholders holding more than 5% shares	No. of shares	% Holding	No. of shares	% Holding
1. Nikhil Umesh Katti	1,84,64,375	9.83%	34,92,875	9.30%

* The Rs.10/- face value Equity shares of the company has been sub-divided into Face value of Rs.2/- per share w.e.f from 22nd october,2021.

10.1 Reconciliation of Number of Shares :

Particulars	(Nos.in Lakhs)	
	2022	2021
Number of Shares at the beginning of the year	1,877.80	375.56
Add : Shares issued during the year	0.00	-
Number of Shares at the end of the year	1,877.80	375.56

10.2 Rights attached to equity shares

The Company has only one class of equity shares having a face value of Rs.10/- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

10.3 Shares held by propoters at the end of the year

Promoter Name	No. of Shares	% of total shares	% Change during the year
1 UMESH VISHWANATH KATTI	70,92,820	3.78	-
2 NIKHIL UMESH KATTI	1,84,64,375	9.83	5.73
3 SNEHA NITHIN DEV	22,46,250	1.20	-
4 KUSH RAMESH KATTI	57,25,375	3.05	-
5 LAVA RAMESH KATTI	65,01,375	3.46	18.18
6 JAYASHREE RAMESH KATTI	62,94,000	3.35	-
7 SHEELA UMESH KATTI	57,05,000	3.04	-
8 RAMESH VISHWANATH KATTI	66,44,750	3.54	-
Total	5,86,73,945		
Promoters Group			
1 BASAVARAJ S UTTUR	10,00,000	0.53	-
2 SATISH MAHALINGAPPA GHULI	5,000	0.00	-
3 RAVINDRA SHRIKANT KATTI	22,85,672	1.22	-
4 YUVARAJ CHUNAMURE	5,000	0.00	-
5 GHULI SUHAS MAHALING	5,000	0.00	-
6 ABHINANDAN DHANAPAL KHEMALAPURE	12,61,093	0.67	-
7 RAMESH SHIRALKAR	11,500	0.01	-
8 PADMAJA KATTI	25,000	0.01	-
Total	45,98,265		



11. Other Equity

(Rs.in Lakhs)

Particulars	(Rs.in Lakhs)	
	2022	2021
Security Premium		
Opening Balance	2,966.39	2,966.39
Add / (Less): Changes during the year	-	-
Add: Premium on share capital	-	-
Less: Utilized/transfer during the period	-	-
Closing Balance	2,966.39	2,966.39
Profit & Loss A/c		
(i) Opening Balance	15,803.82	15,350.09
Add / (Less): Changes during the year		
Less: Transitional Adjustments		
Deferred Tax on account of IND AS		
Expected Credit Loss		
Finance cost de-recognised based on effective interest cost		
Measurement of Employee benefit at Fair Value		
Actuarial Gain/ (loss) in OCI	92.56	74.72
(ii) Add: Profit for the year	6,016.04	829.29
Less: Proposed Dividend (@ 10% on paid up ca	375.56	375.56
Less: Dividend Distribution Tax	-	-
Net Profit Transfer to Reserves	5,640.48	453.73
Closing Balance	21,444.30	15,803.82
	24,503.25	18,844.93

12. Borrowings

(Rs.in Lakhs)

Particulars	2022		2021	
	Current	Non Current	Current	Non Current
Secured Borrowings:				
<i>loans from Banks</i>				
-Term Loans (#1)		8,934.55		10,236.62
-Hypothecation Loans for Vehicles (#2)		34.75		6.31
Working Capital facilities (#3)	24,248.23	-	24,655.21	-
Unsecured Borrowings				
Total	24,248.23	8,969.30	24,655.21	10,242.93
Add: Current Maturities of Long Term Debt	3,826.02	-	2,727.59	-
	28,074.25	8,969.30	27,382.80	10,242.93

Terms and conditions

#1. Details of Term Loans from Banks are as follows:

Name of the Lender	Date of Sanction	Amount Sanctioned (Rs. in lakhs)	Rate of Interest	Repayment Schedule	Details of Security
BDCC Bank	13/06/2017	4,000.00	13.00%	Repayable in 26 equal quarterly installments of Rs.166.66 lakhs	Charge on all the Movable & Immovable Assets of the sugar factory



BDCC Bank	29/05/2018	3,000.00	13.00%	Repayable in 20 equal quarterly installments of Rs.150.00 lakhs	Charge on all the Movable & Immovable Assets of the Co-gen plant
BDCC Bank	09-06-2018	2,500.00	13.00%	Repayable in 20 equal quarterly installments of Rs.125.00 lakhs	Charge on all the Movable & Immovable Assets of the Co-gen plant
BDCC Bank	29.05.2019	1,842.00	13.00%	Repayable in 12 equal Monthly installments of Rs.153.50 lakhs	Pledge of Sugar Stocks
BDCC Bank	05.09.2018	2,250.00	13.00%	Repayable in 24 equal Quarterly installments of Rs.112.50 lakhs	Charge on all the Movable & Immovable Assets of the Distillery Unit
Bank of India	16.03.2021	4,428.00	8.35%	Repayable in 48 equal Monthly installments of Rs.108.92 lakhs	2nd Charge on Fixed Assets on Sugar, Cogen & Distillery Unit

#2. Details of Vehicle Loans from Banks are as follows:

Name of the Lender	Amount Sanctioned (Rs. In lakhs)	Rate of Interest	Repayment Schedule	Details of Security
Bank of India Hero HFB Delux	25.00	9.20%	Repayable in monthly installments of Rs. 0.80 lakhs each	Vehicles
Sate Bank of India, ZLX Bolero Loan	9.00	9.00%	Repayable in monthly installments of Rs. 0.19 lakhs each	Vehicles
Sate Bank of India, Carnival Loan	28.00	8.35%	Repayable in monthly installments of Rs. 0.83 lakhs each	Vehicles

#3. The Working Capital Loan is in the form of Cash credit from Bank of India & State bank of India was secured by pledge of sugar and Other Stock and Receivables.



13. Long Term Provisions

(Rs.in Lakhs)

Particulars	2022	2021
Employee Benefits		
Gratuity	289.20	273.51
	289.20	273.51

14. Deferred Tax (Assets)/Liabilities

(Rs.in Lakhs)

Particulars	2022	2021
Opening Balance	(81.40)	(100.88)
Add : Mat Credit Entitlement	2,567.21	-
Less : On account of depreciation & Accumulated Loss	(23.14)	170.73
Add : On account of Provision for gratuity	13.07	11.55
Less: Accumulated loss e/f now setoff	(1123.06)	0.00
Closing Balance (Assets)/Liabilities	1352.68	81.40

#refer Note-28

15. Other Non Current Liabilities & Current liabilities

(Rs.in Lakhs)

Particulars	2022		2021	
	Current	Non Current	Current	Non Current
Statutory Dues Payable	359.40	-	2806.23	-
Other Payables	248.75	-	216.80	-
Total	608.14	-	3023.03	-

16. Trade Payables

(Rs.in Lakhs)

Particulars	2022	2021
Due to Micro & Small Enterprises	-	-
Dues to others		
For Others	9375.68	6674.48
Total	9375.68	6674.48

Note:- 1. There is no sufficient information available with the company regarding Micro and Small enterprises Vendors , hence it is not possible to identify vendors as Micro and Small enterprises

2. For Ageing schedule of Trade payable refer note no.51

17. Other financial liabilities

(Rs.in Lakhs)

Particulars	2022	2021
	Current	Current
Trade Deposits & Advances	91.70	61.37
Other Financial Liabilities	548.40	260.76
Total	640.10	322.13

18. Provisions

(Rs.in Lakhs)

Particulars	2022	2021
Gratuity Provision (#refer Note-38)	17.05	14.74
Provision for tax	347.44	211.37
Proposed Dividend on Equity shares	375.56	375.56
Total	740.05	601.68



19. Revenue from operations**(Rs.in Lakhs)**

Particulars	2022	2021
Sales (Inclusive of Excise duty)	46,593.73	41,010.01
Other Operating Revenue (Export & Buffer stock Subsidy)	281.37	1,636.37
Revenue from operations	46,875.10	42,646.38

20. Other income**(Rs.in Lakhs)**

Particulars	2022	2021
Dividend Income	13.71	-
Rental Income	82.86	2.31
Insurance Claims and Income	31.97	29.63
Other Non - Operating Income	23.77	29.47
Balances Written - off	-	-
Total	152.31	61.41

21. Cost of materials consumed**(Rs.in Lakhs)**

Particulars	2022	2021
Raw Materials Consumed	37,737.25	30,202.84
Stores, Spares, Chemicals & Packing Materials Consumed	1,416.31	916.87
Total	39,153.56	31,119.71

22. Changes in inventories**(Rs.in Lakhs)**

Particulars	2022	2021
Raw Material		
Opening	7,250.89	2,933.27
Closing	11,275.67	7,250.89
	(4,024.78)	(4,317.62)
Work-in-progress		
Opening	-	-
Closing	-	-
	-	-
Stores & Spares		
Opening	-	-
Closing	-	-
	-	-
Finished goods		
Opening	20,467.65	25,330.87
Closing	24,374.29	20,467.65
	(3,906.64)	4,863.22
Total	(7,931.42)	545.60



23. Other Manufacturing Expenses**(Rs.in Lakhs)**

Particulars	2022	2021
Processing, Transportation and Other Charges	1,435.89	588.18
Power & Fuel	1,190.28	451.33
Repairs - Plant & Machinery	936.94	929.26
Total	3,563.11	1,968.77

24. Employee benefits expense**(Rs.in Lakhs)**

Particulars	2022	2021
Salaries and Wages to employees	1,556.47	1,158.20
Contribution to Provident and other Funds	127.52	103.74
Staff Welfare Expenses	150.87	122.15
Total	1,834.86	1,384.09

25. Finance costs**(Rs.in Lakhs)**

Particulars	2022	2021
Interest Expense	3,097.18	3,449.60
Other borrowing costs	130.73	116.12
Total	3,227.91	3,565.72

26. Other expenses**(Rs.in Lakhs)**

Particulars	2022	2021
Rent	8.73	8.87
Advertisement, Publicity & Sales Promotion	277.96	216.28
Insurance	133.66	126.53
Travelling Expenditure	34.11	11.54
Vehicle Running & Maintenance	311.55	274.85
Printing & Stationery	7.67	7.56
Communication Expenses	7.18	7.09
Legal, Professional & Consultancy Charges	115.48	117.50
Discount, Rebate & Commission on Power sale	131.05	136.04
Loss/(Gain) on Sale / Disposal of Fixed Assets	-	17.27
Freight Charges	14.84	4.53
Donation	-	3.00
Licence Fees & Taxes	184.87	129.18
Corporate Social Responsibility Expenses	-	-
Other Miscellaneous Exp	208.94	110.25
Expected Credit Loss	(525.91)	255.72
Total	910.13	1,426.21



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27. Corporate Social Responsibility expenditure

Particulars	(Rs. In Lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Amount required to be spent	-	-
b) Amount Spent	-	-

The Company is not liable to Corporate Social Responsibility expenditure as per company's act, 2013 during the reporting period.

28. Tax expenses:

(a) Income tax expense recognised in the statement of profit and loss

Particulars	(Rs. In Lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Current Tax	347.44	211.37
b) Deferred Tax	(1434.08)	182.28
c) Excess tax provision reversed Fy 2020-21	(211.37)	-

(b) Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	(Rs. In Lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<u>Deferred tax (assets)/liabilities:</u>		
Property, plant and equipment	(23.14)	136.77
MAT Credit Entitlement	2567.21	(211.37)
Accumulated Losses	(1123.06)	268.44
43B Disallowances	13.07	(11.55)
Net deferred tax (assets)/liabilities	1434.08	182.28

(c) Income tax expense recognised in other comprehensive income.

Particulars	(Rs. In Lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Tax effect on re measurement of defined benefit obligation	-	-

29. Auditors Remuneration.

Particulars	(Rs. In Lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Audit fees	5.00	5.00
b) For Other Matters	2.00	2.00
TOTAL	7.00	7.00



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30. Earnings per Share

Particulars	(Rs. In Lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Net Profit attributable to equity holders	6033.88	829.29
Weighted average number of equity shares	3755.60	375.56
Total weighted average number of equity shares outstanding at the end of the year	3755.60	375.56
Add : Effect of division of face value of equity shares *	-	-
Add: Effect of Bonus Equity shares issued	-	-
Total weighted average number of equity shares outstanding at the end of the year	3755.60	375.56
Nominal Value per Equity Share*	2	10
Basic EPS (In Rs.)	3.21	2.11
Diluted EPS (In Rs.)	3.21	2.11

* The Rs.10/- face value Equity shares of the company has been sub-divided into Face value of Rs.2/- per share w.e.f from 22nd october,2021.

31. Contingent liabilities and commitments.

Particulars	(Rs. In Lakhs)	
	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Court Cases	1,315.08	1,315.08
(b) Bank Guarantee	218.37	144.26
c) EPCG Export Obligation	289.99	289.99
Total	1,823.44	1,749.33

* In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

32. Related Parties

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, Company's Directors, members of the Company's Management Council and Company Secretary are considered as Key Management Personnel. List of Key Management Personnel of the Company is as below:

2022	2021
Mr. Umesh V Katti	Mr. Umesh V Katti
Mrs. Sheela UmeshKatti	Mrs. Sheela UmeshKatti
Nikhil U Katti	Nikhil U Katti
Lava R Katti	Lava R Katti
Kush R Katti	Kush R Katti
Mukesh Kumar	Mukesh Kumar
Mallikarjun J Pujar	Mallikarjun J Pujar
CS PriyaDedhia	CS SnehaPatil
Mr. Sheshagiri H. Kulkarni	CS PriyaDedhia
	Mr. Sheshagiri H. Kulkarni



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*Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits recognised as per Ind AS 19 -Employee Benefit. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above
The following is a summary of significant related party transactions:

(Rs. In Lakhs)		
Name of Related Party	As at 31st March, 2022	As at 31st March, 2021
DIRECTORS REMUNERATION		
Mr.NikhilKatti	36.00	36.00
Mr. Mukesh Kumar	27.00	27.00
Mr.LavaKatti	24.00	24.00
Mr.KushKatti	24.00	24.00
SALARY		
Mr.MallikarjunPujar	8.53	8.57
Mrs.SnehaPatil	0.00	4.78
Mr.Sheshagiri Kulkarni	7.75	6.23
Mrs.PriyaDedhia	3.00	0.40
PURCHASES		
Mr.Umesh V. Katti	7.49	11.02
Mr.Ramesh V Katti	10.78	34.72
Mrs.SheelaUmeshKatti	0.00	27.93
Mr.NikhilKatti	57.46	21.26
Mr.LavaKatti	28.59	29.10
Mr.KushKatti	33.53	13.26
Mr.MallikarjunPujar	9.43	0.00
PURCHASE ADVANCE		
Mr.Nikhil U Katti	40.78	40.78
Mr.Lava R Katti	52.47	52.47
Mr.Kush R Katti	57.24	57.24
LEASE SECURITY DEPOSIT		
Mr.NikhilKatti	200.00	200.00

*In accordance with the applicable provisions of the Income Tax Act, 1961, the Company is required to use certain specified methods in assessing that the transactions with the related parties, are carried at an arm's length price and is also required to maintain prescribed information and documents to support such assessment. The appropriate method to be adopted will depend on the nature of transactions / class of transactions, class of associated persons, functions performed and other factors as prescribed. Based on certain internal analysis carried out, management believes that transactions entered into with the related parties were carried out at arm's length price.

Associates / Enterprises over which directors and / or their relatives has significant influence

2022	2021
U R Agrofresh Private Limited	U R Agrofresh Private Limited
Vishwaraj Infrastructure Private Limited	Vishwaraj Infrastructure Private Limited
UK27 Hospitality Services (India) Limited	UK27 Hospitality Services (India) Limited
M/s Vishwaraj Developers	M/s Vishwaraj Developers
VishwarajEncivil India Private Limited	VishwarajEncivil India Private Limited
UK Ventures	-



VISHWARAJ SUGAR INDUSTRIES LIMITED

The following is a summary of significant related transactions with the entities having significant influence.
(Rs. In Lakhs)

Name of Related Party	As at 31st March, 2022	As at 31st March, 2021
UR Agro Fresh Private Limited		
Sales during the year	121.50	57.83
Receivables	70.91	42.32
Advances		
Opening Balance o/s	325.00	325.00
Advances given during the year	0.00	0.00
Closing Balance o/s	325.00	325.00
UK 27 Hospitality services (India) Limited		
Sales	1.27	1.09
Receivables	0.17	0.37
TA & DA Expenses	1.49	0.43
TA & DA Payable Outstanding	0.48	0.00
Vishwaraj Developers		
Sales	0.00	0.00
Receivables	0.00	0.58

33. Fair value measurements

(i) Financial instruments by category

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2022		For the year ended 31 March 2021	
	FVTPL	Amortised Cost	FVTPL	Amortise d Cost
Financial assets				
<i>Investments</i>	130.74	-	130.74	-
<i>Loans</i>	-	-	-	-
<i>Trade Receivables</i>	3,224.51	-	2,996.99	-
<i>Cash & Cash Equivalents</i>	1,226.70	-	4,837.22	-
<i>Bank Balances other than cash & cash Equivalents</i>	89.35	-	48.60	-
<i>Other Financial Assets</i>	515.49	-	387.75	-
Financial Liabilities				
<i>Borrowings</i>	-	37,043.55	-	34,898.14
<i>Trade Payables</i>	9,375.68	-	6674.48	-
<i>Other Financial Liabilities</i>	640.10	-	322.13*	-

*Regrouped as per Revised schedule iii.

The management considers that the carrying amount of financial assets and financial liabilities carried at amortised cost approximates their fair value.



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34. Earnings/expenditure in foreign currency:

Expenditure in Foreign currency:

(Values In Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Earnings in Foreign currency	-	-
Expenditure in Foreign currency		
-USD	3.98	3.90
-Euro	90.25	0.00
Advance Amount Return		
-USD	0.00	78.22
Machinery Return		
-Euro	0.00	10.17

35. Segment Reporting:

The company has identified products wise and unit wise segments i.e. Sugar, Co-generation, Distillery, Vinegar & IML at factory site, respectively of Products & Unit based on return and risk. Hence, the same becomes the reportable segments for the Company. Accordingly, the Company has above operating and reportable segment, the disclosure requirements specified in paragraphs 22 to 30 are made. Accordingly, the Company shall present entity-wide disclosures enumerated in paragraphs 32, 33 and 34 of Ind AS 108.

36. Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

A. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables.

Trade and Other Receivables -The Company uses Expected Credit Loss (ECL) model for assessing the impairment loss on trade and other receivables. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers. The management believes that there is no change in allowance for credit losses for the periods presented.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including term deposits were past due or impaired for the periods presented.

The Company's credit period for customers generally ranges from 30 - 90 days.



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B. Market Risks:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term borrowings. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies

C. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Further, the Company's investments in deposits is with banks and electricity authorities and therefore do not expose the Company to significant interest rates risk. The Company's variable rate borrowing is subject to interest rate risk. However, the management considers the impact of fair value interest rate risk on variable rate borrowings to be immaterial.

37. Capital Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(Rs. In Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Total Debt	37,043.55	48601.96
Less: Cash and cash equivalents	1,226.70	4837.22
Net Debt	35816.85	43764.74
Equity Share Capital	3755.60	3755.60
Other Equity	24503.25	18844.93
Total Equity Attributable to Owners	28258.55	22600.53
Net Debt to Equity Ratio	1.26 : 1	1.94 : 1



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38. Gratuity

The Company provides for gratuity for employees in India as per the Payment of the Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionally for 15 days salary multiplied for the number of the years of service up to a maximum of ₹10 Lakhs.

(i) The assumptions used in accounting for the gratuity plan are set out as below:

Particulars	As at 31 March 2022	As at 31 March 2021
Future Salary rise	7.00%	7.00%
Discount rate	7.25%	7.00%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate	5%	5%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. The Company evaluates these assumptions annually based on its long term plans of growth and industry standards

The components of gratuity cost recognised in the statement of profit and loss consist of the following:

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current Service Cost	31.03	29.88
Interest cost	20.90	14.56
Gratuity cost recognised in statement of profit and loss	51.93	44.44

Details of the employee benefits obligations and plan assets are provided below:

(Rs. In Lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of funded obligations	306.25	288.25
Fair value of plan assets	-	-
Net defined benefit liability recognized	306.25	288.25

Details of changes in the present value of defined benefit obligations are as follows:

(Rs. In Lakhs)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Defined benefit obligations at the beginning of the year	288.25	208.02
Current service cost	31.03	29.88
Interest Cost	20.90	14.56
Remeasurement - Actuarial (gain)/loss on obligation	(17.84)	35.78
Benefits paid during the year	(16.09)	-
Defined benefit obligations at the end of the period/ year	306.25	288.25

However the company has not invested the Gratuity provision made in any manner prescribed under Payment of Gratuity Act, 1972.



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Additional Disclosures to Notes to Financial Statements

39. Accounting for Goods & Service Tax (GST):

- (a) The GST paid on purchase of Raw-material has been treated as cost of stock and cost of Raw-materials.
- (b) The GST Input Tax Credit (ITC) benefit attributable to acquisition & construction of fixed Assets (other than civil works) is netted against the cost of fixed Assets in accordance with guidance note issued by ICAI and no depreciation is claimed on that part of Assets.
- (c) GST Input Tax Credit (ITC) benefit attributable to purchase of inputs has been reduced from Manufacturing expenses.

During the year the Company has availed the GST Credit and utilized as under. (In Rs.)

GST CREDIT		Op. Balance (Dr)	Credit	Debit	Cl. Balance (Dr)
1	CGST Credit	25,62,917.00	2,20,05,730.00	22714136.00	3271323.00 Dr
2	IGST Credit	23,30,674.00	7,07,25,892.00	74501322.90	6106104.90 Dr
3	SGST Credit	25,62,917.00	2,36,56,116.00	22714136.00	1620937.00 Dr
Total GST Credit		44,99,875.00	11,99,29,594.90	11,63,87,738.00	1,09,98,364.90

40. Secured Loans:

As on 31.03.2022, the Term Loan under SOFT Loan Scheme outstanding as under

1. The B D C C Bank Ltd, Main Branch Belagavi Rs.767.50 Lakhs

As on 31.03.2022, the Term Loan For Sugar Exp outstanding as under

1. The B D C C Bank Ltd, Main Branch Belagavi Rs.1499.95 Lakhs

As on 31.03.2022, the Term Loan For Co gen Hypothecation outstanding as under

1. The B D C C Bank Ltd, Main Branch Belagavi Rs.750.00 Lakhs
 2. The B D C C Bank Ltd, Main Branch Belagavi Rs.875.00 Lakhs

As on 31.03.2022, the Term Loan For Distillery Expansion outstanding as under

1. The B D C C Bank Ltd, Main Branch Belagavi Rs.2025.00 Lakhs

As on 31.03.2022, the Bank of India GECL Loan outstanding as under

1. The Bank of India, ShahapurBranch,Belagavi Rs.4349.76 Lakhs

The State Government of Karnataka vide its order CI.118,SPI.2021, Bengaluru Dated:04.06.2021 has agreed for Conversion of Purchase tax payable as "Interest free loan on conversion of Purchase tax payable" and repayable in 10 years beginning from the year 2021. Balance as on 31.03.2022 is Rs.2493.35 Lakhs.

The Working Capital Loan in the form of Cash Credit from Bank of India & State Bank of India Cash Credit was secured by pledge of Sugar. The Loan outstanding as on 31.03.2022 is as under.

1. Bank of India, Shahapur Branch, Belagavi Rs. 8483.72 Lakhs
 2. State Bank of India, SME Branch, Belagavi Rs. 6509.27 Lakhs



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The Working Capital Loan in the form of Cash Credit Hypothecation from Bank of India was secured by pledge of Other Stocks. The Loan outstanding as on 31.03.2022 is as under.

1. Bank of India, Shahapur Branch, Belagavi Rs.1255.24 Lakhs

The Term Hypothecation Loan Details:

SLNo	Particulars	Rs.in Lakhs	Bank Name
1	Hero HF Delux	0.16	Bank of India
2	Bolero ZLX	6.65	SBI Belagavi
3	Carvinal	27.94	SBI Belagavi

The Term Hypothecation Loan is secured by respective Hypothecation of Vehicles.

The Term Loan Installments due during next 12 months have been included under Other Current Liabilities.

41. Auditors Remuneration:

(In Rs.)

Sl. No.	Particulars	2021-22	2020-21
1	Statutory Audit Fees	5,00,000.00	5,00,000.00
2	For Other Matters	2,00,000.00	2,00,000.00

The above Remuneration is exclusive of GST.

42. i) Distillery Unit:

No.	Particulars	Unit	2021-22	2020-21
a)	Licensed Capacity Rectified Spirit	Ltrs	1,00,000	1,00,000
b)	Installed Capacity Rectified Spirit	Ltrs	1,00,000	1,00,000
c)	Licensed Capacity Neutral Spirit	Ltrs	50,000	50,000
d)	Installed Capacity Neutral Spirit	Ltrs	50,000	50,000
e)	Licensed Capacity Ethanol	Ltrs	1,00,000	1,00,000
f)	Installed Capacity Ethanol	Ltrs	1,00,000	1,00,000

ii) Co-generation Unit:

No.	Particulars	Unit	2021-22	2020-21
a)	Licensed Capacity Electricity	MW	36.4	36.4
b)	Installed Capacity Electricity	MW	36.4	36.4

iii) Sugar Unit:

No.	Particulars	Unit	2021-22	2020-21
a)	Licensed Capacity Sugar Cane	MT	11000	11000
b)	Installed Capacity Sugar Cane	MT	11000	11000

iv) IML Unit:

No.	Particulars	Unit	2021-22	2020-21
a)	Licensed IML Bottling	CB	5,000	5,000
b)	Installed IML Bottling	CB	5,000	5,000



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v) Natural Alcoholic Vinegar:

No.	Particulars	Unit	2021-22	2020-21
a)	Licensed	Ltrs	75,000	75,000
b)	Installed	Ltrs	75,000	75,000

Note: The Installed capacity is certified by a Director and being a technical matter same is accepted by the Auditors without verification.

43. Production:

Particulars	Unit	2021-22	2020-21
		Qty	Qty
Distillery Unit			
Rectified Spirit	KL	370.60	280.75
Extra Neutral Spirit	KL	130.38	831.25
M. G. Spirit	KL	19.79	56.15
Ethanol(Syrup)	KL	11,705.56	7,512.09
Ethanol (B Heavy)	KL	13,622.95	675.58
M G Spirit (B Heavy)	KL	9.02	31.09
Rectified Spirit (B Heavy)	KL	1,412.70	638.31
Rectified Spirit (Syrup)	KL	298.61	0.00
Co-gen Unit			
Electricity	KWh	9,17,49,000	8,80,49,800
Sugar Unit			
Sugar	Qtls	9,27,000.00	7,93,200.00
Molasses (B Heavy)	MT	64,300.00	52,770.60
Bagasse	MT	3,11,120.00	2,57,705.00
Compost	MT	12,578.00	10604.00
Syrup	MT	38,800.44	28,688.28
Vinegar Unit			
Natural Alcoholic Vinegar	Ltrs	1,37,79,000.00	86,52,000.00

44. Turnover

Particulars	Unit	2021-22		2020-21	
		Qty	Value in Lakhs	Qty	Value in Lakhs
Distillery Unit					
Rectified Spirit	KL			--	--
Extra Natural Spirit	KL	39.81	21.69	1450.49	812.75
Ethanol (Syrup)	KL	11,467.00	7,256.42	7488.00	4691.23
Ethanol (B Heavy)	KL	13,435.00	7,764.43	617.00	355.45
Liquid Carbon Di Oxide	KG	4,12,860.00	9.49	--	--
Co-Gen Unit					
Electricity	KWh	5,14,12,850	2,480.75	5,66,12,250	2,678.80
Boiler Ash	MT	--	14.02	--	10.98
Sugar Unit					
Sugar	QTLs	8,28,756.00	26,842.12	9,40,725.00	29,800.92
Scrap	-	--	133.26	--	147.14
Compost	Bags	2,24,352	302.36	1,28,571	155.37
Compost	MT	0.00	0.00	959.50	22.85
Molasses	MT	0.00	0.00	23,714.11	2,377.41
Bagasse	MT	8,096.89	121.45	4,956.82	74.35
Vinegar Unit					
Natural Alcoholic Vinegar	Ltrs	1,35,74,554.00	1,929.48	95,38,846.00	1,319.30
Total	-		46,742.25		42,446.56



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45. Consumption of Raw Materials:

Particulars	Unit	2021-22		2020-21	
		Qty	Value in Lakhs	Qty	Value in Lakhs
Distillery Unit					
Molasses	MT	0.00	0.00	104.16	10.42
Molasses (B Heavy)	MT	47,531.96	6416.81	4,476.46	559.56
Chemicals	-	--	241.39	--	102.84
R.S. (Captive)	Ltrs	141321.30	65.95	8,59,502.90	403.96
M G Spirit	Ltrs	415304.80	145.35	2,42,319.80	84.81
M G Spirit (B Heavy)	Ltrs	9019.9	3.16	31,856.60	11.15
Syrup	MT	38098.28	5339.03	24,013.13	3,197.43
Co-generation Unit					
Bagasse	MT	243109	4254.40	2,34,929.54	3,523.94
Coal including Distillery	MT	12673.38	893.43	6,747.94	302.10
Chemicals	-	--	105.38	--	77.22
Sugar Unit					
Sugar Cane	MT	11,01,936.28	37759.57	9,08,954.57	29,492.45
Chemicals	-	--	602.04	--	402.73
Vinegar Unit					
Chemicals	-	--	38.27	--	12.60
R S Consumption	Ltrs	16,75,000.00	787.25	11,00,000.00	517.00

46. Opening Stock:

Particulars	Unit	2021-22		2020-21	
		Qty	Value (in Lakhs)	Qty	Value (in lakhs)
Distillery Unit					
Rectified Spirit	Ltrs	1,64,568.50	77.35	2,05,945.30	96.79
Extra Neutral Spirit	Ltrs	56,965.10	31.90	6,77,003.70	338.50
M G Spirit	Ltrs	1,33,637.40	46.77	0.00	0.00
Ethanol (Syrup)	Ltrs	21,422.30	13.42	0.00	0.00
Ethanol (B Heavy)	Ltrs	58,432.70	33.66	0.00	0.00
Co-generation Unit					
Coal	MT	00.00	00.00	2,218.50	119.00
Bagasse	MT	39,441.00	591.62	21,622.36	432.44
Sugar Unit					
Sugar	Qtls	6,17,421	19,090.06	7,64,946	23,713.32
Molasses (S)	MT	48,294.14	6,036.77	23,818.27	2381.83
Compost	MT	27,043.89	1,081.76	23,827.94	953.11
Syrup	MT	4,675.15	622.51	0.00	0.00
Vinegar Unit					
Vinegar	Ltrs	6,62,380.00	92.73	16,97,226.00	229.13
Total			27,718.54		25,330.87



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47. **Closing Stock:**

Particulars	Unit	2021-22		2020-21	
		Qty	Value in Lakhs	Qty	Value in Lakhs
Distillery Unit					
Rectified Spirit	Ltrs	0.00	0.00	1,64,568.50	77.35
Rectified Spirit (B Heavy)	Ltrs	2,33,269.20	109.64	0.00	0.00
Rectified Spirit (Syrup)	Ltrs	1,02,361.40	48.11	0.00	0.00
Extra Neutral Spirit	Ltrs	1,47,495.80	82.60	56,965.10	31.90
M G Spirit	Ltrs	8,240.70	2.88	1,33,637.40	46.77
Ethanol (Syrup)	Ltrs	2,56,787.50	162.93	21,422.30	13.42
Ethanol (B Heavy)	Ltrs	2,44,584.50	141.42	58,432.70	33.66
Co-generation Unit					
Bagasse	MT	99,355.11	1,738.71	39,441.00	591.62
Sugar Unit					
Sugar	Qtls	7,15,665	23,012.70	6,17,421	19,090.06
Molasses (B Heavy)	MT	65,062.18	8,783.39	48,294.14	6,036.77
Compost	MT	28,404.29	568.08	27,043.89	1,081.76
Syrup	MT	5,377.31	753.57	4,675.15	622.51
Vinegar Unit					
Vinegar	Ltrs	6,73,826.00	94.34	6,62,380.00	92.73
Rectified Spirit	Ltrs	3,22,536.00	151.59		
Total			35,649.97		27,718.54

48. **CIF Value of Imports and Export in Foreign Currencies Paid:**

CIF Value of Import	Currency	2021-22	2020-21
Vinegar Chemical Charges	EURO	28298.00	0.00
Kasurth Certification Plant Fees	USD	5375.00	5115.00
Vinegar Machinery Parts	EURO	73,770.40	0.00

CIF Value of Export	Currency	2021-22	2020-21
Denature Spirit Sales Advance Amount	USD	0.00	0.00
Vinegar Machinery Re-export	EURO	0.00	12660.00
Denature Spirit Sales Advance Amount Return	USD	0.00	1,03,430.00



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49. Provisions and Contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Such liabilities are disclosed by way of notes to the financial statements. No disclosure is made if the possibility of an outflow on this account is remote.

Sl.No	Particulars	Amount in Lakhs
1	Central Excise, Belgaum Show Cause Notice	87.85
2	Central Excise, Bangalore (Appeals)	974.43
3	High Court, Karnataka, Appeal for Sugar Cess	252.80
4	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (IOCL)	55.45
5	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (HPCL)	35.75
6	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (IOCL)	55.02
7	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (BPCL)	44.53
8	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (IOCL)	16.06
9	Bank of India, Shahapur Branch, Belgaum Bank Gaurantee (HPCL)	11.55
10	Export Duty (EPCG Scheme) (IML Packing Machinery)	289.99
	Total	1823.44



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50. Trade Receivable Ageing schedule: for the year 2021-22

Particulars	Outstanding for following periods from due date of payment#					Rs.in Lakhs
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2,930.82	30.67	160.04	72.07	754.23	3,947.82
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Trade Receivable Ageing schedule: for the year 2020-21

Particulars	Outstanding for following periods from due date of payment#					Rs.in Lakhs
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,023.34	46.52	590.97	1,820.98	764.41	4,246.22
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-



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51. Trade Payable Ageing schedule: for the year 2021-22

(Rs in Lakhs)

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	8,838.15	7.04	73.85	405.71	9,324.75
iii. Disputed dues-MSME	-	-	-	-	-
iv. Disputed dues-Others	-	-	-	-	-
Total	8,838.15	7.04	73.85	405.71	9,324.75

Trade Payable Ageing schedule: for the year 2020-21

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	6,154.14	128.72	9.06	382.56	6,674.48
iii. Disputed dues-MSME	-	-	-	-	-
iv. Disputed dues-Others	-	-	-	-	-
Total	6,154.14	128.72	9.06	382.56	6,674.48

52. Title Deeds of Immovable Properties of the company not held in the name of the Company as on 31-03-2022:

Reason: Properties are being held by way of General Power of Attorney in the name of Shri. Mullikarjun Kadayva Pujar, present CAO of the Company held on behalf of the Company

Relevant line item in the Balance sheet	Description of item of Property	Gross carrying value	Title Deeds held in the name of:	Whether title deed holder is promoter /Director /Relative of Promoter of Director or Employee of Promoter / Director	Property held since which date
Land	204/2A	3	Shri Jotiba Bharmanna More	NO	12.2016



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Land	206/A	5	1. Shri Narayan Balkrishna Sutar	NO	30.12.2016
			2. Shri Chudappa Balkrishna Sutar	NO	
Land	206/B	6	1. Smt. Savitri W/O Yallappa Pawashe	NO	14.03.2017
			2. Smt. Janabai W/O Dhankalu Gurav	NO	
			3. Shri Yallappa S/O Dhankalu Gurav	NO	
Land	207/1	8.1	1. Smt. Renuka W/O Late Tippanna Talwar	NO	28.12.2018
			2. Shri. Nagaraj S/O. Tippanna Talwar	NO	
Land	206/1	7.43	Shri. Rajaram Balappa Chigare	NO	28.12.2018
Land	207/1	8.1	Shri. Monappa Ganesh Talwar	NO	28.12.2018



A/W

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Land	207/1	8.1	1.Smt. Anandi W/O. Late Dudappa Talwar	NO	28.12.2018
			2. Shri. Pundalik S/O. Dudappa Talwar Talwar	NO	
			3.Smt. Mayuri W/O. Pundalik Talwar	NO	
			4.Shri. Bharat S/O. Dudappa Talwar	NO	
Land	206/A	6.75	1.Shri Shanikar Arjun Gurav	NO	28.12.2018
			2.Shri Bharna Arjun Gurav	NO	
			3.Devappa Arjun Gurav	NO	
Land	206/A	2.7	Shri. Devappa Kumanna Gurav	NO	28.12.2018
Land	207/1	8.1	1. Smt. Laxmi W/O. Late Yavagappa Talwar	NO	28.12.2018
			2. Shri. Pandurang S/O. Yavagappa Talwar	NO	



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			3. Smt. Droupada W/O. Pandurang Talwar	NO	
			4. Shri. Balu S/O. Yavagappa Talwar	NO	
Land	206/A	7.43	Shri. Maruti Yallappa Humbarwadi	NO	28.12.2018
Land	206/A	2.93	Shri. Raghunath Krishna Hurakadli	NO	28.12.2018
Land	206/A	10.13	1. Shri. Jayram Kallappa Patil	NO	28.12.2018
			2. Smt. Madhu Jayram Patil	NO	
			3. Smt. Sushma Madhu Patil	NO	
			4. Shri. Pundalik Jayram Patil	NO	
Land	206/B	5.85	Smt. Yeshodha Parashuram Gawade	NO	28.12.2018



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Land	206/A	2.93	Shri. Ravalu Shankar Motankar	NO	28.12.2018
Land	206/A	9	Shri. Narayan Krishna Yalturkar	NO	28.12.2018
Land	207/1	8.1	Shri. Babu Basawant Talwar	NO	28.12.2018
Land	206/A	9	Shri. Babu Somanna Motankar	NO	28.12.2018
Land	206/A	3.75	Shri. Rajaram Vasu Golyalkar	NO	09/07/2021
Land	206/A	7.5	Shri. Mallppa Vasu Golyalkar	NO	09/07/2021
Land	206/A	3.75	Shri. Govind Vasu Golyalkar	NO	09/07/2021
Land	206/A	3.75	Shri. Nago Somanna Motankar	NO	09/07/2021
Land	206/A	3.75	Shri. Rama Yallappa Gavali	NO	09/07/2021



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Land	206/A	7.5	Shri.Gangaram Tanji Gavali	NO	09/07/2021
Land	206/A	6	Shri. Jayram Kumanna Gurav	NO	09/07/2021
Land	206/A	3.75	Shri.Marutirao @Maruti Somanna @Somanath Motankar	NO	09/07/2021
Land	206/A	3.83	1.Smt. Anandabai W/O, Late Narayan Sutar	NO	09/07/2021
			2. Shri. Pandu S/O Narayan Sutar	NO	
			3. Smt. Pooja W/O Pandu Sutar	NO	
			4. Shri Vishwanath S/O, Narayan Sutar	NO	
			5. Smt. Laxmi W/O, Vishwanath Sutar	NO	



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			6. Smt. Vaishali W/O Suresh Kammar	NO	
Land	206/A	1.5	1. Shri. Gangaram S/O. Late Kallappa Patil	NO	12/07/2021
			2. Smt. Renuka W/O. Gangaram Patil	NO	
Land	206/A	2.03	Shri. Yallappa Nagappa Gurav	NO	12/07/2021
Land	206/A	1.5	1. Shri. Parashram Gavadu Patil	NO	12/07/2021
			2. Smt. Malu W/O. Parashuram Patil	NO	
			3. Smt. Deepa W/O. Dinesh Bilagoji	NO	
Land	206/A	1.73	Shri. Dashrath Yallappa Chigare	NO	12/07/2021
Land	206/A	2.63	Shri. Khirappa Devappa Sutar	NO	12/07/2021



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Land	206/A	2.55	Smt.Laxmi W/O.Vasant Sutar	NO	12/07/2021
			Shri. Devendra S/O.Late Vasant Sutar	NO	
			Smt. Rekha W/O. Devendra Sutar	NO	
Land	206/A	2.4	Shri.Madhu @ Madhukar Dattu Sutar	NO	12/07/2021
Land	206/A	2.4	Shri.Ramechandra Devappa Sutar	NO	12/07/2021
Land	206/A	1.8	1. Shri.Jayaram S/O.Late Kallappa Patil	NO	12/07/2021
			2. Shri Baban S/O Jayaram Patil	NO	
			3. Rekha W/O. Baban Patil	NO	
Land	206/A	1.88	1. Smt. Parvati W/O Babu Sutar	NO	12/07/2021
			2. Smt. Punam W/O Parasuram Sutar	NO	
			3. Shri. Parthamesh S/O Parasuram Sutar	NO	



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Land	206/A	10.25	Shri.Basavanni Irappa Chigare	NO	24/09/2021
Land	204*/1	10.55	Shri.Prabhakar Arjun Jadav	NO	27/10/2021
			Shri. Balakrishna Arjun Jadhav	NO	
Land	206/A	11.65	1.Shri. Kallappa Shivappa Patil	NO	30/11/2021
			2. Yallappa S/O Gavadu Patil	NO	
Land	206/A	10.25	Shri. Somanath Shivaji Sutar	NO	30/11/2021
Land	206/A	2.03	1. Shri Ravalu Shankar Motankar	NO	14/02/2022
			2. Smt.Deepa W/O Ravalu Motankar	NO	
			3.Mr. Rutik D/O Ravalu Montankar	NO	



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			4. Master Sandesh S/O Ravalu Montankar	NO	
Land	207/7	1.5	Shri. Yallappa Nagappa Gurav	NO	15/02/2022
Land	206/A	1.95	Shri. Gavadu Kallappa Patil	NO	18/02/2022
Land	206/A	6.06	Shri Maruti Somanna Yallurkar	NO	25/02/2022
Land	204*/1	12.56	1. Smt. Shobha Dashrut Biraje	NO	25/02/2022
			2. Shri Prabhakar Dasharat Biraje	NO	
Land	206*/A	6.07	1. Shri. Mallavva W/O Dhakalu Hurakadli	NO	28/02/2022
			2. Shri Monappa S/O Dhakalu Hurakadli	NO	
			3. Shri Laxman S/O Dhakalu Hurakadli	NO	



VISHWARAJ SUGAR INDUSTRIES LIMITED

			4. Shri. Ramappa S/O Shakalu Hurakadli	NO	
Land	206/A	6.06	Shri. Mallappa @ Yallappa Somanna Yallurkar	NO	16.03.2022

53. Balance appearing under the head Trade Receivable, Trade Payables, Loans and Advances, Secured & Unsecured Loans is subject to confirmation, adjustments if any on receipts and reconciliation of such accounts.

Date-09th, May 2022
Place: Shivamogga



For, M/s Gojanur & Co.,
Chartered Accountants
FRN : 000941S
P.R.C.No.011335

(CA. G. M. ChannappaSetty)
Proprietor
M. No: 020227

UDIN: 22020227AKYWOO7555

PROPOSED ALLOTTEES IN THE ISSUE

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the BRLM, to Eligible QIBs only, on a discretionary basis. The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below. The details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

Sr. No.	Name of the proposed Allottees*	Percentage of the post-Issue share capital (including GDRs) held (%)^
1.	Neomile Growth Fund - Series I	54.00
2.	NAV CAPITAL VCC - NAV CAPITAL	12.00
3.	EMERGING STAR FUND	4.00
4.	NOVA GLOBAL OPPORTUNITIES FUND PCC - TOUCHSTONE	24.00
5.	Saint Capital Fund	4.00
6.	IMVESTA Growth Scheme	2.00

^ Based on beneficiary position as on September 21, 2024

*The details of the proposed Allottees have been intentionally left blank and will be filled in before issuing of the Placement Document to such proposed Allottees.

The post-Issue shareholding pattern (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, Insurance Companies, and FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID has been considered.

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. The Company further certifies that all the statements in this Placement Document are true and correct.

Signed by:

Nikhil Umesh Katti
Managing Director
DIN – 02505734

Date: September 21, 2024
Place: Karnataka

DECLARATION

We, the Board of Directors of our Company certify that:

- (i) our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules thereunder, does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the Issue shall be used only for the purposes and objects indicated in the Placement Document (which includes disclosures prescribed under Form PAS-4).

For and on behalf of the Board, signed by:

Nikhil Umesh Katti
Managing Director
DIN – 02505734

Date: September 21, 2024
Place: Karnataka

I am authorized by the Board of Director of our Company, through resolution dated April 30, 2024 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association a

the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Nikhil Umesh Katti
Managing Director
DIN – 02505734

Date: September 21, 2024
Place: Karnataka


SAMPLE APPLICATION FORM

APPLICATION FORM

Indicative format of the Application Form

An indicative format of the Application Form is set forth below.

(Note: The format of the Application Form included herein below is indicative and for the illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. Our Company, in consultation with the BRLM, shall identify Eligible QIBs and circulate serially numbered copies of this Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Placement Document and the Application Form and not on the basis of the indicative format below.)

 VISHWARAJ SUGAR INDUSTRIES LIMITED	APPLICATION FORM
	Name of the Bidder _____ Form. No. _____
(Incorporated in the Republic of India under the provisions of the Companies Act, 1956) Registered Office: Bellad-Bagewadi, Taluk-Hukkeri, District-Belgaum - 591305, Karnataka, India. Email: info@vsil.co.in Website: www.vsil.co.in Tel: 08333-251251 CIN: L85110KA1995PLC017730	Date: [●]

QUALIFIED INSTITUTIONS PLACEMENT OF UP TO 3,00,47,700 EQUITY SHARES OF FACE VALUE ₹ 2 EACH (“EQUITY SHARES”), FOR CASH AT A PRICE OF ₹ 16.64 PER EQUITY SHARE (“ISSUE PRICE”), INCLUDING A PREMIUM OF ₹ 14.64 PER EQUITY SHARE, AGGREGATING UP TO ₹ 4999.94 LAKH IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE “COMPANIES ACT”), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”) AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”) BY VISHWARAJ SUGAR INDUSTRIES LIMITED (THE “COMPANY”) (HEREINAFTER REFERRED TO AS THE “ISSUE”).

Only Qualified Institutional Buyers (“QIBs”) as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which: (a) are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; or (b) hold a valid and existing registration under the applicable laws in India (as applicable); (c) are not restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; are eligible to submit this Application Form. In addition to the above, with respect to the Issue, Eligible QIBs shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs (as defined hereinbelow) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (“FEMA Rules”). Further, except as provided in (ii) above, other non-resident QIBs (including FVCIs and non-resident multilateral and bilateral development financial institutions) are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws of the United States and, unless so registered, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in “offshore transactions” as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of the Equity Shares in the United States. You should note and observe the selling and transfer

restrictions contained in the sections of the accompanying placement document dated September 21, 2024 (the “PD”) titled “Selling Restrictions” and “Transfer Restrictions”.

ELIGIBLE NON-RESIDENT QIBs CAN PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019, (“FEMA RULES”). ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THE ISSUE THROUGH SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO THE FDI POLICY READ ALONG WITH THE PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED IN THE FDI POLICY AND THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING IN RELATION TO LOCK-IN REQUIREMENT. AIFs AND VCFs WHOSE SPONSOR AND MANAGER ARE NOT INDIAN OWNED AND CONTROLLED IN TERMS OF THE FEMA RULES, OR FVCIs, FOREIGN MULTILATERAL AND BILATERAL DEVELOPMENT FINANCIAL INSTITUTIONS AND ANY OTHER NON-RESIDENT INVESTORS ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	IC	Insurance Companies
MF	Mutual Funds	VCF	Venture Capital Funds
NIF	National Investment Fund	FPI	Eligible Foreign Portfolio Investor*
IF	Insurance Funds	AIF	Alternative Investment Fund**
SI-NBFC	Systemically Important Non- Banking Financial Companies	OTH	Others (Please specify)

*Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue

** Sponsor and Manager should be Indian owned and controlled

To,
The Board of Directors
Vishwaraj Sugar Industries Limited
Bellad-Bagewadi, Taluk-Hukkeri,
District-Belgaum - 591305,
Karnataka, India

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded from making an application in the Issue pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, and (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws, including foreign exchange related laws. and that we are not a promoter (as defined under the Companies Act and the SEBI ICDR Regulations) of the Company, or any person related to the promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the promoter or promoter group of the Company or persons or entities related thereto. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with the promoters or members of the promoter group, no veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules nor a FVCI or a non-resident multilateral or bilateral development financial institution not eligible to invest in India under applicable law. We confirm that the bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid does not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("Takeover Regulations"). We further understand, acknowledge and agree that (i) our names, address, contact details, PAN number, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in terms of the PAS Rules ; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, at Bangalore (the "RoC") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company will disclose our name, along with the name of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the website of National Stock Exchange of India Limited and the BSE Limited (together referred to as the "Stock Exchanges"), and we consent to such disclosure. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the Reserve Bank of India and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation of the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us, if applicable, in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, the Companies Act, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that, in relation to our application, each foreign portfolio investor ("FPI") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "Eligible FPIs"), have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount per equity share and number of equity shares to be Allotted under each scheme. We undertake that we will sign and/or submit all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue. We note that the Board or any duly authorized committee thereof, is entitled, in consultation with BRLM, in their sole discretion, to accept or reject this Application Form without assigning any reason thereof. We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PD, Placement Document and the Confirmation of Allocation Note ("CAN") when issued and the

terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be Allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

By signing and/or submitting this Application Form, we hereby confirm and agree (i) that the representations, warranties, acknowledgements and agreements as provided in the sections "Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions" sections of the PD; and (ii) the terms, conditions and agreements mentioned herein, are true and correct and acknowledge and agree that these representations, warranties, acknowledgments and agreements are given by us for the benefit of the Company and the BRLM for the Issue, each of which is entitled to rely on and is relying on these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PD along with the Application Form, have read it in its entirety including in particular, the section "Risk Factors" therein and we have relied only on the information contained in the PD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the discretion of the Company, in consultation with the BRLM and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLM. For the purposes of this representation: The expression "belong to the same group" shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary(ies) or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations;

(9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing Equity Shares in an offshore transaction complying with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales are made. We confirm that we have read

the representations, warranties and agreements contained in the sections entitled “Selling Restrictions” and “Transfer Restrictions” of the PPD.

By signing and submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial, business and investment matters so as to be capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares.

We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

BIDDER DETAILS (In Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY		FAX NO.	
TELEPHONE NO.		MOBILE No.	
E-MAIL			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO.		
FOR MF / AIFs*** / VCFs*** / SI-NBFC / INSURANCE COMPANIES	SEBI / RBI / IRDAI Registration Number:		
<p>*Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the BRLMs.</p> <p>** In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.</p> <p>*** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.</p>			

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under PAS-4 of the PAS Rules. For such information, the BRLMs have relied on the information provided by the registrar and share transfer agent of the Company for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER			
REMITTANCE BY WAY OF ELECTONIC FUND TRANSFER BY 2 P.M. (IST), [●], [●]			
Name of the Account	"Vishwaraj Sugar Industries Limited - QIP ESCROW	Account Type	Escrow Account

	ACCOUNT"		
Name of Bank	AXIS BANK	Address of the Branch of the Bank	Sona Building, Plot No. C-20, 1 st Road, Chembur East, Opp. BMC M-Ward, Mumbai – 400071
Account No.	924020050602251	IFSC	UTIB0000063
Legal Entity Identifier Code	549300HVNWMJPOFVNI41	Email and Telephone Number	Email: Chembur.branchhead@axisbank.com Landline: +919136969323

The Bid Amount should be transferred pursuant to the Application Form only by way of electronic fund transfers, towards the Escrow Account. Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period i.e. within the Bid/Issue Closing Date. All payments must be made in favor of "VISHWARAJ SUGAR INDUSTRIES LIMITED-PUBLIC ISSUE ACCOUNT". The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

DEPOSITORY ACCOUNT DETAILS												
Depository Name	National Securities Depository Limited						Central Depository Services (India) Limited					
Depository Participant Name												
DP-ID	I	N										
Beneficiary Account Number												(16-digit beneficiary A/c. No. to be mentioned above)

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purposes of refund, if any, only the bank details as mentioned below, from which the Bid Amount has been remitted for the Equity Shares applied for in the Issue will be considered.

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by you. The Company and the BRLM shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES BID FOR		BID AMOUNT PER EQUITY SHARE (RUPEES)	
(In Figures)	(In Words)	(In Figures)	(In Words)

DETAILS OF CONTACT PERSON	
Name:	
Address:	
Tel. No.:	
E-mail:	
Fax No.:	

OTHER DETAILS***		ENCLOSURES ATTACHED
PAN*		L Copy of the PAN Card or PAN allotment letter
Legal Entity Identifier Code		

Date of the Application		
Signature of Authorized Signatory (may be signed either physically or digitally) **		<input type="checkbox"/> FIRC <input type="checkbox"/> Copy of the SEBI registration certificate as a Mutual Fund <input type="checkbox"/> Copy of the SEBI registration certificate as an Eligible FPI <input type="checkbox"/> Copy of the SEBI registration certificate as an AIF <input type="checkbox"/> Copy of the SEBI registration certificate as a VCF <input type="checkbox"/> Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank <input type="checkbox"/> Copy of notification as a public financial institution <input type="checkbox"/> Copy of the IRDAI registration certificate <input type="checkbox"/> Intimation of being part of the same group <input type="checkbox"/> Certified true copy of power of attorney <input type="checkbox"/> Others, please specify _____

*Please note that the Bidder should not submit the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income Tax Act, 1961, as the application is liable to be rejected on this ground.

**A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.

***The application form is liable to be rejected if any information provided is incomplete or inadequate

Note 1: Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document, unless specifically defined herein.

Note 2: The Application Form is liable to be rejected if any information provided is incomplete or inadequate.

Note 3: The duly filed Application Form along with all enclosures shall be submitted to the BRLM either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.

The Application Form and the PPD sent to you and the Placement Document which will be sent to you, either in physical form or in electronic form or both, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents.