



**September 04, 2024**

**To  
The Secretary, Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001  
Maharashtra, India  
Scrip Code: 532183**

Dear Madam, Sirs,

**Sub: Annual Report for Financial Year 2023-24 of Gayatri Sugars Limited ('Company')**

This is in furtherance to our AGM Notice submission dated September 04, 2023 wherein the Company had informed that the 29<sup>th</sup> Annual General Meeting ('AGM') of the Company will be held on Friday, September 27, 2024 at 11:30 a.m. (IST) via two-way Video Conference / Other Audio-Visual Means only, in accordance with the General Circular issued by the Ministry of Corporate Affairs and SEBI Circulars.

Please find enclosed herewith the 29<sup>th</sup> Annual Report of Gayatri Sugars Limited for the Financial Year 2023-24 along with the Notice of the 29<sup>th</sup> AGM ('Annual Report'). The Annual Report is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Annual Report is available on the website of the Company at <https://www.gayatrisugars.com/pdf/yrly/AR%20GSL-2013-24.pdf> This is submitted pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This is for your information and records.  
Thanking you.

Yours faithfully,  
**For Gayatri Sugars Limited**

**D S V R Susmitha**  
Company Secretary & Compliance Officer

Encl.: As Above

Regd. & Corp. Office:

**Gayatri Sugars Limited**, B2, 2<sup>nd</sup> Floor, 6-3-1090, TSR Towers  
Raj Bhavan Road, Somajiguda, Hyderabad 500 082 Telangana  
Factories:

**Kamareddy Unit:** Adloor Yellareddy, Sadasivanagar Mandal,  
Kamareddy Dist. - 503 145. Telangana

**Nizamsagar Unit:** Maagi, Nizamsagar Mandal,  
Kamareddy Dist. - 503 302. Telangana

**T** +91 40 2341 4823/4826  
**F** +91 40 2341 4827

**W** [www.gayatrisugars.com](http://www.gayatrisugars.com)  
**E** [cs.gsl@gayatri.co.in](mailto:cs.gsl@gayatri.co.in)

**T** +91 8468 248558  
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**T** +91 8465 275577  
**CIN:** L15421TG1995PLC020720



# **GAYATRI SUGARS LIMITED**

**TWENTY NINTH ANNUAL REPORT  
2023-24**



## **29<sup>th</sup> Annual General Meeting**

Day : Wednesday

Date : 27<sup>th</sup> September 2024

TIME : 11: 30 AM

Venue : Video Conference/  
Other Audio Visual Means

# TWENTY NINTH ANNUAL REPORT 2023-2024

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

1. Mrs. T. Indira Reddy	Chairperson / Director	DIN: 00009906
2. Mr. T.V. Sandeep Kumar Reddy	Vice Chairman / Director	DIN: 00005573
3. Mrs. T. Sarita Reddy	Managing Director	DIN: 00017122
4. Mr. T.R. Rajagopalan	Independent Director	DIN: 00020643
5. Mr. P.V. Narayana Rao	Independent Director	DIN: 07378105
6. Mr. Raghuraj Suresh Bhalerao	Independent Director	DIN: 07652493
7. Mr. C.V. Rayudu (w.e.f. 07.08.2024)	Independent Director	DIN: 03536579

### KEY MANAGERIAL PERSONS (KMP) OTHER THAN DIRECTORS

1. Mr. V.R. Prasad	Chief Financial Officer
2. Mrs. D S V R Susmitha	Company Secretary and Compliance Officer

### REGISTERED OFFICE

B2, 2nd Floor, 6-3-1090, T.S.R. Towers,  
Rajbhavan Road, Somajiguda,  
Hyderabad – 500082 INDIA  
Cell : 9908437774 / 9618800160  
Email: gayatrisugars@gmail.com

### CORPORATE IDENTITY NUMBER

**CIN:** L15421TG1995PLC020720

### REGISTRAR & SHARE TRANSFER AGENTS

M/s. Venture Capital and Corporate  
Investments Private Limited  
Regd. Office : "Aurum"  
D.No. 4-50/P-II/57/4F & 5F, 4th & 5th Floors,  
Plot No. 57, Jayabheri Enclave, Phase - II,  
Gachibowli, Hyderabad - 500032.  
Ph : 040-23818475, 23818476  
Email : investor.relations@vccipl.com

### AUDITORS

#### M O S & Associates LLP

Chartered Accountants  
Somajiguda, Hyderabad

#### COST AUDITORS

Narasimha Murthy & Co.,  
Cost Accountants,  
Hyderabad.

### BANKERS

1. Kotak Mahindra Bank Limited

### FACTORIES

#### Kamareddy Unit

Adloor Yellareddy Village,  
Sadasivanagar Mandal,  
Kamareddy District,  
Telangana State - 503145

#### Nizamsagar Unit

Maagi Village, Nizamsagar Mandal,  
Kamareddy District,  
Telangana State - 503302

## **Notice of the 29th (TWENTY NINTH) ANNUAL GENERAL MEETING**

[PURSUANT TO THE SECTION- 101 OF THE COMPANIES ACT, 2013]

NOTICE IS HEREBY GIVEN THAT The **29th (TWENTY NINTH) ANNUAL GENERAL MEETING** of the Members of M/s. GAYATRI SUGARS LIMITED will be held on 27th September 2024 at 11.30 AM through Video Conference ("VC") or Other Audit Visual Means (OAVM)/Physical to transact the businesses mentioned below.

### **ORDINARY BUSINESS:**

**1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2024 together with the reports of the Board of Directors and Auditors thereon.**

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

"RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

**2. To consider and approve the Re-appointment of Mrs. T Indira Reddy (DIN: 00009906) as "Director" liable to retire by rotation, who has offered himself for re-appointment:**

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

"RESOLVED THAT pursuant to the provisions of Section 152 (6) and other applicable provisions of the Companies Act, 2013, the approval of the Shareholders of the Company be and is hereby accorded to the re-appointment of Mrs.T Indira Reddy (DIN: 00009906) as a "Director", who shall be liable to retire by rotation."

### **SPECIAL BUSINESS**

**3. To consider and approve the Ratification of Remuneration of M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad as the "Cost Auditors" of the Company for the Financial Year 2024- 25:**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any amendment, modification or variation thereof, M/S. Narasimha Murthy & Co., Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of Sugar, Power and Distillery divisions of the Company for the Financial Year 2024-25, for a remuneration of Rs. 2,00,000 (Rupees Two Lakhs) per annum plus applicable taxes and out of pocket expenses that may be incurred, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors (the 'Board' which term includes a duly constituted Committee of the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution and/or otherwise considered by them to be in the best interest of the Company."

**4. To consider and approve the Re-Appointment of Mrs. T Sarita Reddy (DIN: 00017122), as a Managing Director of the Company**

To consider and if, thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT subject to the provisions of sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the rules framed there under, as amended from time to time and such other applicable rules & regulations and subject to such other approvals as may be required, if any, consent of the members be and is hereby accorded to re-appoint Mrs. T. Sarita Reddy as Managing Director of the Company for a period of 3 (three) years, on expiry of her present term of office, i.e. w.e.f May 01, 2025, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mrs. T. Sarita Reddy, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof; and that the said Managing Director shall have, subject to the supervision, control and directions of the Board, the powers to manage all the affairs of the Company and shall exercise all powers and perform all duties in relation to the management and transactions of the Company, further the Board may from time to time delegate to the Managing Director such of their powers and duties and subject to such limitations and conditions as they deem fit.

**"RESOLVED FURTHER THAT** Ms. T. Sarita Reddy is not subject to retirement by rotation during the tenure of her office as Managing Director and her appointment is on such salary and perquisites as set out hereunder:

**i. Period of Appointment**

The appointment is for a period of 3 years commencing from May 01, 2025.

**ii. Salary**

The monthly gross salary payable shall be Rs. 5,00,000/- (Rupees Five Lakhs) per month inclusive of House rent allowance

**iii. Perquisites**

**Housing:**

If required, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc., the monetary value of which may be evaluated as per Rule 3 of the Income Tax Rules, 1962. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the Salary. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 25% of the Salary.

**Medical Reimbursement:**

Expenses incurred for herself and her family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.

**Leave Travel Concession:**

One month salary per year for herself and her family.

**Club Fees:**

Subject to a maximum of two clubs. This will not include admission and Life Membership Fees.

**Personal Accident Insurance:**

Premium not to exceed Rs. 10,000/- per annum.

**Provident Fund:**

Company's contribution towards Provident Fund as per service rules of the company

**Gratuity:**

Gratuity not exceeding half a month's salary for each completed year of service.

**Encashment of Leave:**

Entitled to one month's leave, as per the rules of the Company on full pay, for every 11 months of service.

Encashment of leave at the end of the tenure will not be included in computation of the ceiling on perquisites.

**Telephone, Electricity and Water charges for residence:**

Free telephone facility at the residence for the use of the Company's business and Free Electricity and Water charges for residence.

**Car:**

Use of Company's Car on Company's business with Driver and all expenses on maintenance, repairs and cost of petrol.

(Provision of Car for use of Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director)

Any other perquisites and allowances that may be allowed by the Company in consultation with Nomination and Remuneration Committee as per the guidelines issued by the Central Government from time to time.

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any Financial year of the Company during the term of her office as Managing Director, the remuneration and perquisites set out above be paid or granted to Mrs. T. Sarita Reddy as minimum remuneration stipulated in Section II of part II of Schedule V of the said Act or such other amount and perquisites as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

"RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

**5. Appointment of Mr. Venkata Rayudu Chintalapudi (DIN: 03536579) as an "Independent Director" of the Company:**

To consider and if, thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and such other Rules framed under the Act, as may be applicable [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force and regulations 16(1)(b), 17, 25 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time

to time) ("the SEBI Listing Regulations"), Mr. Venkata Rayudu Chintalapudi (DIN: 03536579), who was appointed by the Board of Directors as an "Additional Director" to hold office of "Non-Executive Independent Director" of the Company with effect from 7th August 2024, in terms of Section 161(1) of the Act and who meets the criteria for Independence and eligibility as provided in Section 149(6) & (7) of the Act along with the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as "Independent Director" of the Company not liable to retire by rotation, for a period of 5 (five) years from 7th August 2024 to 6th August 2029.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to take all such steps, as may be necessary, proper or expedient, to give effect to this resolution and to do all such acts, deeds, matters and things as may be incidental thereto.

**6. Re-Appointment of Mr. Venkata Narayana Rao Paluri (DIN: 07378105) as an Independent Director of the company for a second term of five consecutive years**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulations 16(1)(b), 17, 25 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Mr. Venkata Narayana Rao Paluri (DIN: 07378105), who was appointed as an Independent Director at the 25th Annual General Meeting of the Company and who holds office up to February 10, 2025 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, based on the recommendations of the Nomination and Remuneration Committee, to hold office for a second term commencing with effect from February 11, 2025 up to February 10, 2030, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to take all such steps, as may be necessary, proper or expedient, to give effect to this resolution and to do all such acts, deeds, matters and things as may be incidental thereto.

By order of the Board of Directors  
For **Gayatri Sugars Limited**

Place: Hyderabad  
Date: August 07, 2024

**Sd/-**  
**T Sarita Reddy**  
Managing Director  
DIN: 00017122



**NOTES:**

1. An Explanatory Statement setting out all material facts as required under Section 102 of the Companies Act, 2013 in respect of special business of the Company is appended and forms part of the Notice.
2. The Ministry of Corporate Affairs ("MCA") vide its General Circular dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/DDHS/DDHSRACPOD1/P/CIR/2023/001 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 has permitted the holding of the Annual General Meeting ("AGM") through Video Conference/Other Audio Visual Means, without the physical presence of the Members at a common venue. Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circulars issued by MCA and SEBI, 29th AGM of the Company being conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) herein after called as "e-AGM/AGM". The deemed venue for the AGM shall be the Registered Office of the Company.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not attached to this Notice.
4. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate etc.  
  
In case you are holding Company's shares in physical form, please contact Company's RTA viz Venture Capital And Corporate Investments Private Limited, "AURUM", Door No. 4-50/P-II/57/4 & 5th Floors, Plot No. 57, Jayabheri Enclave, Phase II, Gachibowli, Seri Lingampally-500032, by writing to them or sending a mail at info@vccipl.com.
5. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 01st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Venture Capital And Corporate Investments Private Limited, "AURUM", Door No. 4-50/P-II/57/4 & 5th Floors, Plot No. 57, Jayabheri Enclave, Phase II, Gachibowli, Seri Lingampally-500032, are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers dematerialization and change in the address of the members may be communicated to the RTA.
6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/ Company.

7. Body Corporates are entitled to appoint authorized representative(s) to attend the AGM through VC and to cast their votes through remote e-voting/ e-voting at the AGM. In this regard, the body Corporates are required to send a latest certified copy of the Board Resolution/ Authorization Letter/ Power of Attorney authorising their representative(s) to attend the meeting and vote on their behalf through e-voting to the company at [cs.gsl@gayatri.co.in](mailto:cs.gsl@gayatri.co.in).
8. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least 10 days before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
9. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card with original PAN Card for verification, so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/Dop/Cir- 05/2009 dated 20th May, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
10. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2024 to 27th September, 2024 (both days inclusive) for the purpose of AGM.
11. Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e, 20th September 2024 shall only be entitled to attend and vote at the AGM. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
12. Members may also note that the Notice of the 29th Annual General Meeting is available on the Company's website: [www.gayatrisugars.com](http://www.gayatrisugars.com). All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at [cs.gsl@gayatri.co.in](mailto:cs.gsl@gayatri.co.in).  

In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2023-24 will also be available on the Company's website at [www.gayatrisugars.com](http://www.gayatrisugars.com) on the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
13. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act.
14. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed in this Notice.

## Twenty Ninth Annual Report

15. The Board of Directors has appointed M/s Y. Koteswara Rao, Practicing Company Secretaries, CP No. 7427 to act as Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, CDSL, and RTA and will also be displayed on the Company's website [www.gayatrisugars.com](http://www.gayatrisugars.com)

16. SEBI vide circular nos. SEBI/HO/OIAE/OIAE\_IAD- 1/P/CIR/2023/131 dated July 31, 2023 and SEBI/HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023 read with master circular no. SEBI/HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated August 11, 2023, had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievance with the Company/its Registrar and Share Transfer Agent directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

17. SEBI, vide its circular dated 3 November 2021 (subsequently amended by circulars dated 14 December 2021, 16 March 2023 and 17 November 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from 1 April 2024, only upon furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf)

18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/ P/CIR/2022/8 dated 25th January 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under Investors Corner and on the website of the Company's RTA. Member may also send email to obtain format by sending an email to [cs.gsl@gayatri.co.in](mailto:cs.gsl@gayatri.co.in) or the RTA. It may be noted that any service request can be processed only after the folio is KYC compliant.

19. As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be. The member may request a copy of the same, if required by sending an email to [cs.gsl@gayatri.co.in](mailto:cs.gsl@gayatri.co.in) or the RTA.

20. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/re- appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.

## **E-VOTING**

### **CDSL e-voting System – For e-voting and Joining Virtual meetings**

1. The Ministry of Corporate Affairs (“MCA”) vide its General Circular dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (collectively referred to as “MCA Circulars”) and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, the 29th AGM of the Company being conducted through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 (collectively referred to as “MCA Circulars”) and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circulars read with SEBI Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members

such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the MCA Circulars read with SEBI Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.gayatrisugars.com](http://www.gayatrisugars.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 including MCA Circulars read with SEBI Circulars.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on 24th September 2024 at 09:00 A.M. and ends on 26th September, 2024 at 05:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th September, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for **e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
<p>Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b></p>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting"</li> </ol>

	<p>under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <ol style="list-style-type: none"> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800225533
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on "Shareholders" module.
3. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.



6. If you are a first-time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank login. Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in DD/MM/YYYY format) as recorded in your Demat account or in the company records in order to <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Gayatri Sugars Limited on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs.gsl@gayatri.co](mailto:cs.gsl@gayatri.co). in (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33

## Twenty Ninth Annual Report

### DETAILS OF THE DIRECTORS RETIRING BY ROTATION/SEEKING RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING:

[Pursuant of the Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) on General Meeting]

Name of the Director	Mrs. T. Indira Reddy	Mrs. T Sarita Reddy	Mr. P.V. Narayana Rao	Mr. Venkata Rayudu Chintalapudi
<b>Director Identification No</b>	00009906	00017122	07378105	03536579
<b>Date of Birth</b>	13-03-1951	14.04.1971	15.05.1960	02.07.1959
<b>Date of First Appointment on the Board</b>	21.07.2005	21.07.2005	11.02.2020	07.08.2024
<b>Relationship between Directors Inter-Se</b>	Mother in Law of Mrs. T. Sarita Reddy and Mother of T.V Sandeep Kumar Reddy	Spouse of T.V Sandeep Kumar Reddy and daughter in Law of Mrs. T. Indira Reddy and	There is no inter se relationship with the directors	There is no inter se relationship with the directors
<b>Nature of Expertise in Specific Functional Area</b>	29 years of experience in the Construction Industry.	20 years of experience in Sugar Industry	Mr. P V Narayana Rao, aged about 69 years, is a qualified Chartered Accountant and professional banker (a Certified Associate of IndianInstituteofBankers). He has a rich experience of 25 years in managing the finance function in various sectorslike Manufacturing, Infra, Banking, service etc. He leads Finance and Accounts Departments  of HO and both factories, coordinates with all other departments.	Mr. C.V. Rayudu holds a B.Com., B.L., and a Post Graduate degree in MPM. Over 32 years of extensive experience in various starch and other industries, he has served in several key roles including Whole nme Director, Vice President (Operations), and head of operations for both company units over the past 18 years. He has played a crucial role in elevating the company from BIFR status by significantly improving its operational and financial performance
<b>Directorship in Listed Entities as on March 31, 2024</b>	Gayatri projects Limited	Nil	1. Gayatri Bioorganics Limited (Non-Executive, Independent Director)	Nil
<b>Membership in Committees of other Listed Companies (includes only Audit Committee and Stakeholders Relationship Committee)</b>	Stakeholder Relationship Committee in Gayatri Projects Limited	Nil	2	Nil
<b>Shareholding in the Company as on March 31, 2024</b>	37,93,508	Nil	NIL	Nil

**EXPLANATORY STATEMENT**

**[Pursuant to Section 102 of the Companies Act, 2013]EXPLANATORY STATEMENT**

**ITEM NO. 03**

The Company is required to appoint Cost Auditors under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, to audit the of its cost records for products covered under the Companies (Cost Records and Audit) Rules, 2014 conducted by a Cost Accountant in practice. The Board of Directors of the Company has on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. Narasimha Murthy & Co., Cost Accountants, Cost Accountants (Firm Registration Number: 000042) as the Cost Auditor of the Company for the Financial Year 2024-25.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 3 of the Notice.

Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditor of the Company for the Financial Year ending March 31, 2025.

The Board recommends the ordinary Resolution set forth in Item No. 3 for the approval of the Members

**ITEM NO. 04**

The Board of Directors of the Company, on recommendations of the Nomination and Remuneration Committee held at 07.08.2024 has, subject to the approval of members of the Company, re-appointed Mrs. T. Sarita Reddy (DIN: 00017122) as Managing Director of the company for a period of 3 (Three) years with effect from May 01, 2025 from the expiry of her current term, i.e. April 30, 2025 on terms and conditions and remuneration as recommended by the Nomination and Remuneration Committee and Approved by the Board. Mrs. T. Sarita Reddy satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for being eligible for her re-appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Act

The terms and conditions for her reappointment and remuneration as contained in the resolution for her reappointment may be treated as a written memorandum setting out the terms of reappointment of Mrs. T. Sarita Reddy under Section 190 of the Act. Details of Mrs. T. Sarita Reddy are provided in the the Notice. Mrs. T. Sarita Reddy is interested in the resolution set out at Item No. 4 of the Notice. Mrs. T.Indira Reddy and Mr. T.V. Sandeep Kumar Reddy, being relatives of Mrs. T. Sarita Reddy, may be deemed to be interested in the said resolution. The other relatives of Mrs. T. Sarita Reddy may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

**THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V OF THE ACT :**

**I. GENERAL INFORMATION :**

1. Nature of industry	Gayatri Sugars Limited is a Sugar Manufacturing Company producing sugar, ethanol and power.			
2. Date or expected date of commencement of commercial production	The Company was originally incorporated as private Company on June 15, 1995. Hence requirement of obtaining commencement of Business was not applicable to the Company under the provisions of the Companies Act, 1956.			
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable			
4. Financial performance based on given indicators (Figures in Lakhs)	Financial year	2023-24	2022-23	2021-22
	Gross Revenue	37,711.06	38,831.38	36,069.66
	Profit before Interest, Depreciation, Exceptional Items and Tax	3,801.12	4,032.51	2,735.16
	Profit after Tax	703.19	3,432.19	(918.12)
	Rate of dividend	-	-	-
	Earnings per share Basic	0.93	7.85	(1.93)
	Earnings per share Diluted	0.57	4.05	(1.93)
	5. Foreign investments or collaborations, if any.	The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company during the previous three financial years. The aggregate foreign shareholding in the Company was approx negligible.		

**II. INFORMATION ABOUT THE APPOINTEE: T. SARITA REDDY:**

1.	Background details	<p>Ms.T.SaritaReddy,aged 53 years has completed MBA from Osmania University. She is a Managing Director of our Company and Director for a number of companies spanning various industries. She has over 19 years of experience in Sugar Industry and has been actively involved in the management . With her cross functional expertise in General Management, Administration, and Finance she has not only been monitoring and managing the finance of Gayatri Sugars, but has also played a pivotal role in facilitating process integration, value chain enhancement and implementation of policies and procedures. Her innovative management technique has been a critical factor in a boosting operational excellence at Gayatri Sugars Limited. She has served as the ExecutiveDirectorin Gayatri Sugars Limited since 2005, and under her stewardship, the Company has achieved high levels of efficiency in Sugar extraction as well as ventured into by-product lines such as co-gen power plants and distilleries. Besides for her work in the Sugar industry, she has worked on marquee projects in the hospitality.</p>										
2.	Past and Proposed remuneration (Figures in Lakhs)	<p>Details on proposed remuneration have been stated in this explanatory Statement of the Notice. In monetary terms, the remuneration for the last 3 financial years is also given hereunder:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Financial</th> <th style="text-align: center;">2023-24</th> <th style="text-align: center;">2022-23</th> <th style="text-align: center;">2021-22</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Remuneration paid</td> <td style="text-align: center;">60.00</td> <td style="text-align: center;">48.00</td> <td style="text-align: center;">48.00</td> </tr> </tbody> </table>			Financial	2023-24	2022-23	2021-22	Remuneration paid	60.00	48.00	48.00
Financial	2023-24	2022-23	2021-22									
Remuneration paid	60.00	48.00	48.00									
3.	Recognition or awards	- Nil -										
4.	Job profile and his suitability	<p>She is looking after the day to day affairs of our company and has the experience to handle diverse nature of businesses of the Company and the vision to take the business forward. Considering her qualifications, vast experience and deep knowledge of the business in which Company operates and also contribution made by her towards growth of the Company, the remuneration proposed commensurate with her job profile and is justified.</p>										

## Twenty Ninth Annual Report

5.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile of the Managing Director, the responsibilities shouldered by her and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior levels in other companies.
6.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Smt. T. Sarita Reddy has no pecuniary relationship with the Company or its Key Managerial Personnel other than her remuneration in the capacity of Managing Director. She is the daughter in law of T. Indira Reddy, Chairperson of the Company and spouse of T.V. Sandeep Kumar Reddy, Vice Chairman of the Company. She does not hold any shares in the Company in her personal capacity.

### DISCLOSURES

The disclosures on remuneration package of each managerial person and details of all elements of remuneration package, details of fixed components etc. are given in the Corporate Governance Report and Board's Report attached to the Annual Report for the information of the shareholders.

### III. Other information:

#### 1. Reasons of loss or inadequate profits:

During the last couple of years, the Sugar Industry has been going through a set of unprecedented circumstances and as a result of this the Company has incurred a loss

#### 2. Steps taken or proposed to be taken for improvement

The operations of the company are being scaled up to increase to revenues.

#### 3. Expected increase in productivity and profits in measurable terms

We expect a substantial increase in production which is leading to good improvement in operating margins.

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate / nil profits, subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel as may be decided by the Board of Directors on the recommendation on Nomination and Remuneration Committee

The Board of Directors recommends the Special Resolution as set out in Item No. 4 in the Notice for approval of the Shareholders.

#### ITEM NO. 05

In accordance with the provisions of Section 149 of the Companies Act, 2013 and pursuant to Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to have at least half of the total number of Directors on the Board as Independent Directors who shall not be liable to retire by rotation. The Board of Directors, at its Meeting held on 7th August 2024,

approved the appointment of Mr. Venkata Rayudu Chintalapudi (DIN: 03536579), as an Additional Director (Non-Executive & Independent Director), on the Board of the Company for a period of 5 (five) years commencing from 7th August, 2024 upto 6th August, 2029, subject to approval of the Shareholders. The Company has received the consent from Mr. Venkata Rayudu Chintalapudi (DIN: 03536579), as required under the provisions of Section 149(6)&(7) Companies Act, 2013 and the Rules framed thereunder as well as Regulations 16(1)(b), 17, 25 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and that no order of Securities and Exchange Board of India (SEBI) or any other such authority has been passed against Mr. Venkata Rayudu Chintalapudi (DIN: 03536579), debarring from accessing the capital markets and Restraining from holding the position of Director in any listed company.

In the opinion of the Board of Directors Mr. Venkata Rayudu Chintalapudi (DIN: 03536579), fulfills the criteria of Independence as specified under Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time. The brief profile of Mr. Venkata Rayudu Chintalapudi (DIN: 03536579), in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is provided elsewhere in this Notice.

The terms and conditions of appointment will be available on request at [cs.gsl@gayatri.co.in](mailto:cs.gsl@gayatri.co.in) till the conclusion of the AGM, without any fee.

Except Mr. Venkata Rayudu Chintalapudi (DIN: 03536579), and his relatives, none of the other Directors or Key Managerial Personnel or their relatives are in any way, whether financially or otherwise, concerned or interested in this Resolution.

The Board of Directors recommends the Ordinary Resolution as set out in Item No. 5 in the Notice for approval of the Shareholders

#### **ITEM NO. 06**

Mr. Venkata Narayana Rao Paluri (DIN: 07378105) was appointed as an Additional Director (Non-Executive Independent Director) of the Company on February 11, 2020. Pursuant to provisions of Section 149 of the Companies Act, 2013 and rules made thereunder, Mr. Venkata Narayana Rao Paluri (DIN: 07378105) was appointed as an Independent Director of the Company by the Shareholders of the Company at the 25th Annual General Meeting held on September 30, 2020 for a period of five years with effect from February 11, 2020 up to February 10, 2025. The Board on August 07, 2024, based on the recommendations of the Nomination and Remuneration Committee and pursuant to the performance evaluation of Mr. Venkata Narayana Rao Paluri (DIN: 07378105) as a Member of the Board and considering that the continued association of Mr. Venkata Narayana Rao Paluri (DIN: 07378105) would be beneficial to the Company, proposed to re-appoint Mr. Venkata Narayana Rao Paluri (DIN: 07378105) as an Independent Director of the Company, not liable to retire by rotation, for a second term effective February 11, 2025 up to February 10, 2030.

Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Mr. Venkata Narayana Rao Paluri (DIN: 07378105) for the office of Director. The Company has received from Mr. Venkata Narayana Rao Paluri (DIN: 07378105) (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules,



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2014, to the effect that he is not disqualified under Section 164(2) of the Act, (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulations 16(1)(b), 17, 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations') and (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

In terms of Section 149, 152 and other applicable provisions of the Companies Act 2013 ("Act") read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the Listing Regulations, each as amended, the re-appointment of Mr. VenkataNarayana Rao Paluri (DIN: 07378105) as an Independent Director of the Company for a second term commencing February 11, 2025 to February 10, 2030 is being placed before the Shareholders for their approval by way of a special resolution.

Mr. Venkata Narayana Rao Paluri (DIN: 07378105), once appointed, will not be liable to retire by rotation. In the opinion of the Board, Mr. Venkata Narayana Rao Paluri (DIN: 07378105) is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations, each as amended, and is independent of the Management of the Company. A copy of the draft letter of appointment of Mr. Venkata Narayana Rao Paluri (DIN: 07378105) as an Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members at the Registered Office of the Company during the normal business hours on working days up to the date of the Annual General Meeting ('AGM') and will also be kept open at the venue of the AGM till the conclusion of the Meeting.

The profile and specific areas of expertise of Mr. Venkata Narayana Rao Paluri (DIN: 07378105) are provided as annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Venkata Narayana Rao Paluri (DIN: 07378105), to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

The Board recommends the special Resolution set forth in Item No. 6 for the approval of the Members

By order of the Board of Directors  
For **Gayatri Sugars Limited**

Sd/-

**T Sarita Reddy**  
Managing Director  
DIN: 00017122

Place: Hyderabad

Date: August 07, 2024

## BOARD'S REPORT

**To the Member(s),**

Your Directors have pleasure in presenting this 29th (Twenty Ninth) Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2024.

- 1. HIGHLIGHTS OF FINANCIAL PERFORMANCE :** Your Company's financial performance during the Financial Year 2023-24 as compared to that of the previous Financial Year 2022-23 is summarized below:-

(Rupees in Lakhs)

Particulars	2023-24	2022-23
Gross Income	37,711.06	38,831.38
Profit/(Loss) Before Interest, Depreciation and Exceptional Item	3,801.12	4,032.51
Finance Charges	2,430.43	2,388.64
Gross Profit/(Loss) before Depreciation and Exceptional Item	1,370.69	1,643.87
Provision for Depreciation	666.75	797.18
Net Profit(Loss) Before Tax and Exceptional Item	703.94	846.49
Exceptional Item	-	2,585.50
Provision for Tax	-	-
Net Profit/(Loss) After Tax	703.94	3,432.19
Balance of Profit/(Loss) brought forward	(16,789.20)	(17,092.61)
Balance available for appropriation	(15,668.14)	(16,789.20)
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Deficit carried to Balance Sheet	(15,668.14)	(16,789.20)

**2. REVIEW OF OPERATIONS:**

Your Directors are pleased to report that during the year under review, the Company crushed 6.87 Lakhs Tons of Sugar cane and 7.62 Lakhs Quintals of Sugar was bagged with an average recovery of 11.10% and 30,870 tonnes of Molasses was produced. The distillery unit produced 83.23 Lakh litres of Ethanol and Impure Spirit.

The Company registered gross revenue of Rs. 37,711.06 Lakhs for the year ended 31st March, 2024 against Rs. 38,831.38 Lakhs for the year ended 31st March, 2024. For the year 2023-24, the company earned EBITDA of 3,801.12 Lakhs compared to Rs. 4,032.51 Lakhs for the previous year 2022-23. The company earned a net profit of Rs. 703.94 Lakhs compared to the net profit of Rs.846.69 Lakhs (before exceptional items of Rs 2,585.50 lakhs) of previous year. The Company registered decrease of 2.97% in turnover as compared to previous years.

**i) PROSPECTS FOR THE FINANCIAL YEAR 2024-25:**

Though it is too early to estimate the sugar production for ensuing Crushing Season relevant to Financial Year 2024-25, because of monsoon and underground water availability, showing reports are indicating good crushing season

**3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the period under review and the date of Board's Report there was no change in the nature of Business of the Company.

**4. DIVIDEND:**

As the Company has accumulated losses as at 31st March, 2024, the Directors could not recommend dividend on Preference Shares and also on Equity Shares.

**5. SHARE CAPITAL:**

- Total Number of Equity Shares: 6,48,00,305 and
- Total Number of Preference Shares: 3,01,47,023.

Members are aware that the Company has taken approval for Increase in Authorised Share Capital of the Company from Rs. 110,00,00,000/- divided into Rs. 65,00,00,000 (Rupees Sixty-Five Crores Only) divided into 6,50,00,000 (Six Crores Fifty Lakhs) equity shares of Rs. 10/- each and Rs. 45,00,00,000 (Rupees Forty-Five Crores Only) divided into 4,50,00,000 (Four Crores Fifty Lakhs) Preference Shares of Rs.10 each to Rs. 145,00,00,000 (Rupees One Hundred Forty Five Crores only) divided into Rs.100,00,00,000 (Rupees One Hundred Crores Only) divided into 10,00,00,000 (Ten Crores) equity shares of Rs. 10/- each, and Rs. 45,00,00,000 (Rupees Forty Five Crores Only) divided into 4,50,00,000 (Four Crores Fifty Lakhs) Preference Shares of Rs.10 each. Further the Company has issued and allotted 3,38,00,000 Share Warrants carrying an entitlement to subscribe to an equivalent number of Equity Shares having face value of Rs.10/- (Rupees Ten Only) each to the person belonging to Non-Promoter group. Further, the Company has received full subscription amount as per the terms of issue of warrants from some of the warrant holders and allotted 38,33,333 equity shares of Rs. 10/- each to the warrant holder from whom full subscription amount received on 12.07.2023. Further also, the Company has converted 1,10,00,000- 6% optionally convertible preference shares in to same number of equity shares of Rs. 10/- each to the promoter group. As a result of the above allotments, the equity Issued has been increased from Rs. 43,70,36,430/- to Rs. 58,53,69,760/-. And Subscribed and Paid-Up Capital of the Company has been increased from Rs. 43,70,05,055/- to Rs. 58,53,38,385/-. Due to the conversion of 1,10,00,000- 6% optionally convertible preference shares into equity shares, preference share capital has been reduced from Rs. 41,14,70,230/- to Rs. 30,14,70,230/-. As a result of allotment and conversion of preference shares, the paid up share capital (Equity and Preference) of the Company has been increased to 88,68,08,615/-. Further, the Company has allotted 50,13,329 and 12,50,000 equity shares of Rs. 10/- each on 09.11.2023 and 30.12.2023 respectively. As a result of the above allotments, the equity issued has been increased from Rs. 58,53,69,760/- to Rs. 64,80,03,050/-. And Subscribed and Paid-Up Capital of the Company has been increased from Rs. 58,53,38,385/- to Rs.64,79,71,675/-.

**Issue of equity shares with differential rights:**

During the period under review, the Company hadn't issued equity shares with differential rights.

### **Issue of Sweat Equity Shares**

During the period under review, the Company hadn't issued sweat equity shares.

### **Details of Employee Stock Options**

During the period under review, the Company hadn't issued stock options to the employees of the Company.

#### **6. BOARD MEETINGS:**

During the Financial Year ended 31st March, 2024, The Board of Directors of your Company met 06 (Six) times on 1st May 2023, 25th May 2023, 7th August 2023, 14th November 2023, 19th December 2023 and 14th February 2024. The details of Board Meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report. The intervening time gap between two consecutive Meetings was within the period prescribed under the Companies Act, 2013 read with relevant notifications.

#### **7. TRANSFER TO RESERVES:**

Your Directors do not propose to transfer any amount to reserves during the Financial Year ended 31st March, 2024.

#### **8. TRANSFER OF UNCLAIMED DIVIDEND :**

There is no Un-claimed dividend to be transferred to IEPF (Investor Education and Protection Fund).

#### **9. KEY MANAGERIAL PERSONNEL AND DIRECTORS:**

The following are the Key Managerial Personnel (KMP) of the Company pursuant to the provisions of Section 203 of the Companies Act, 2013, as on 31st March, 2024:-

1. Mrs. T. Sarita Reddy, Managing Director
2. Mr. V. R. Prasad, Chief Financial Officer
3. Mrs. D S V R Susmitha, Company Secretary & Compliance Officer

#### **Independent Directors declaration:**

All the Independent Directors of your Company, viz., Mr. T. R. Rajagopalan, Mr. Raghuraj Suresh Bhalerao, and Mr. Venkata Narayana Rao Paluri have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs, in terms of the provisions of amended Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2019 and the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019.

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, read with Regulations 16 and 25(8) of the Listing Regulations that he meets the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) and 25(8) of the Listing Regulations (LODR), 2015 and the same have been taken on record by the Board after undertaking due assessment of the veracity of the same.

The criteria for determining qualifications, positive attributes and independence of Directors is provided in the Nomination and Remuneration Policy of the Company is available on the website, viz., [http://www.gayatrisugars.com/at the web linkhttp://www.gayatrisugars.com/CorpPolicies.html](http://www.gayatrisugars.com/at_the_web_linkhttp://www.gayatrisugars.com/CorpPolicies.html)

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All the Independent Directors of the Company have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The details of familiarization programmes attended by the Independent Directors during the Financial Year 2023-24 are available on the website of the Company, <http://www.gayatrisugars.com/attheweblinkhttp://www.gayatrisugars.com/CorpPolicies.html>

### **Appointments/Re- Appointments:**

As per provisions of the Section 152 of the Companies Act, 2013, read with AOA of the company. Mrs. Indira Reddy, retires by rotation at this ensuing AGM and being eligible offer herself for re-appointment.

The resolution for re-appointment of Mrs. T Indira Reddy forms part of the notice convening the ensuing AGM.

Further the term of Mrs. T Sarita Reddy as a Managing Director will expire on 30th April 2025. The Nomination and Remuneration Committee and Board had recommended the re-appointment of her for another period of three years effective from 01.05.2025.

Further based on the recommendation of Nomination and Remuneration Committee, the board of directors have appointed Mr. C.V. Rayudu (DIN 03536579) as an Additional Director of the company on August 7, 2024. The term of Mr. P.V. Narayana Rao, (DIN 07378105) will expires on February 10, 2025. The Board has recommended the appointment of Mr. P.V. Narayana Rao (DIN 07378105) as an Independent Director of the company for another term of 5 years from February 11, 2025.

Further also the term of 10 years of Mr. T. R. Rajagopalan as an Independent Director will expire on 29th September 2024.

The profile and particulars of experience, attributes and skills of the Directors, recommendations to the shareholders are forming part of the notice convening the AGM.

### **10. COMMITTEES OF BOARD:**

Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board of Directors has constituted various committees of Board such as Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Management committee. The details of Composition and terms of reference of these committees are mentioned in the Corporate Governance Report and available on company website also.

### **11. POLICY LAID DOWN BY THE NOMINATION AND REMUNERATION COMMITTEE FOR REMUNERATION OF DIRECTORS, KMP & OTHER EMPLOYEES:**

The Board, on the recommendations of the Nomination and Remuneration Committee, determines the characteristics, skills and other attributes required for appointment and removal of Directors. For this, the Company has Nomination and Remuneration policy, which is performance driven and is structured to motivate Directors and Employees, recognize their merits and achievements and promote excellence in their performance.

The salient features of the policy are:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- d) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

The above Policy is available on the website of the Company [www.gaytrisugars.com/](http://www.gaytrisugars.com/) at the web link <http://www.gaytrisugars.com/CorpPolicies.html>

**Manner in Which Formal Annual Evaluation has been made by the Board of its Own Performance and that of its Committees and Individual Directors:**

Pursuant to the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out evaluation of (i) its own performance, (ii) the directors individually and (iii) working of its Committees. The manner in which the evaluation was carried out as detailed below:

- (a) **Nomination & Remuneration Committee:** Pursuant to the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has formulated the criteria for evaluation of directors and evaluated every director. A structured questionnaire was prepared after taking into consideration of various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the Company etc., and accordingly the evaluation was made. The Members of the Committee evaluated the individual directors at its meeting held on 14.02.2024.
- (b) **Separate Meeting of Independent Directors:** The Independent directors of the Company at its meeting held on 14.02.2024 (a) reviewed the performance of the Non-Independent directors and Board, (b) reviewed the performance of the Chairperson of the Company and (c) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board etc. All the Independent Directors attended the meeting.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the Company etc., and accordingly, the evaluation was made. The Independent directors evaluated the Non-Independent directors.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the Company etc., and accordingly, the evaluation was made. The Independent directors evaluated the Non-Independent directors.

The Independent Directors decided that since the performance of the Non-Independent Directors (including Managing Director and Non- Executive Directors) is satisfactory, the term of their appointment be continued.

The Independent Directors after review of the performance of the Chairperson decided that the Chairperson has good experience, knowledge and understanding of the Board's functioning and her performance is excellent. The Independent Directors decided that the information flow between the Company's Management and the Board is excellent.

- (c) **Evaluation by Board:** The Board has carried out the annual performance evaluation of its own performance, the Directors individually (excluding the director being evaluated) as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, effectiveness in developing Corporate Governance structure to fulfil its responsibilities, execution and performance of specific duties etc. The Board decided that the performance of individual directors, its own performance and working of the committees is excellent.

## **12. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The director had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively except for the material weakness/deficiency; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **13. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:**

There are no Companies which have become or ceased to be its Subsidiaries, Joint Venture or Associate Companies during the year.

## **14. EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2024 is available on the Company's website on <https://www.gayatrisugars.com/pdf/yrlly/AR%20GSL-2023-24.pdf>.

**15. STATUTORY AUDITORS AND THEIR REPORT:**

Members are aware that the Company has re-appointed M/s. MOS & Associates LLP, Chartered Accountants were appointed as Statutory Auditors of the Company at the 27th Annual General Meeting held on to hold office for a term of five consecutive years from the conclusion of 27th Annual General Meeting [AGM] till the conclusion of 32nd Annual General Meeting. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors Report to the members of the Company on the financial statements for the financial Year ended March 31, 2024 forming part of this report contains a qualified opinion on estimating the Electricity duty amounting to Rs. 283.99 Lakhs as a Contingent Liability and on internal financial control over the financial reporting as per note No. 27.2 forming part of the financial statements. In the event of an un-favourable verdict/outcome in this matter, the Management based on the Supreme Court's interim orders and considering the inherent uncertainty in predicting the final outcome of the above litigation estimates the impact of the potential liability to be Rs. 170 lakhs.

**16. INTERNAL AUDITORS:**

As per the provisions of Section 138 of the Companies Act, 2013 read with the rules made there under, the Company has appointed M/s. PPKG & Associates as internal auditors to conduct the audit for the FY 2023-24. The Internal Auditor shall present the report to Audit Committee directly.

**17. SECRETARIAL AUDIT:**

As per the provisions of the Section 204(1) of the Companies Act, 2013, the Company has appointed Mrs. T Durga Pallavi, Practising Company Secretary to conduct Secretarial Audit of the records and documents of the Company. The Secretarial Audit Report for the Financial Year ended March 31, 2024 in Form No MR-3 is annexed to the Directors Report as **Annexure - I** and forms part of this Report. The Secretarial Auditors' Report to the Members of the Company for the Financial Year ended March 31, 2024 does not contain any qualification(s) or adverse observations.

**18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

The required information as per Sec. 134(3)(m) of the Companies Act 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 is provided hereunder:

**A. Conservation of Energy:**

**i) The steps taken or impact on conservation of energy:**

The Company has already installed the required energy conservation equipments and hence no additions were made during the year.

**ii) Step taken by the Company for utilizing alternate source of energy:**

The company doesn't have alternative source of Energy, since the Company has Co-gen power facility.

**iii) Capital investment on energy conservation equipments:**

During the year no investment was made towards energy conservation equipments.



**B. Technology Absorption:**

**i) Efforts made towards Technology Absorption:**

Certain modification were undertaken to reduce power Consumption in earlier financial year. In the current year no such requirement was there.

**ii) The benefit derived like product improvement, cost reduction, product development or import substitution, etc.**

The benefit derived is same as the earlier year.

**iii) Details of Technology imported during the last 3 years reckoned from the beginning of the financial year:**

During the period of last three years, there was no import of Technology.

**iv) Expenditure incurred on Research & Development:**

There was no expenditure incurred on Research and Development.

**C. Foreign Exchange Earnings and Out Go:**

Foreign Exchange Earnings : NIL

Foreign Exchange Outgo : NIL

**19. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Company's internal control system is aimed at proper utilisation and safeguarding of the Company's resources and promoting operational efficiency. The internal audit process reviews the in-system checks, covering significant operational areas regularly.

The Company's Audit Committee is responsible for reviewing the Audit Report submitted by the Internal Auditors. Suggestions for improvements are considered and the Audit Committee follows up on the implementation of corrective actions. The Audit Committee also invites the Statutory and Internal Auditors for regular meetings to ascertain their views on the adequacy of internal control systems and keeps the Board of Directors informed of its observations from time to time.

The statutory auditors had a qualified opinion on the Internal financial controls over the financial reporting stating that material weakness has been identified as at March 31, 2024 in the Company relating to deficiency in internal financial controls over financial reporting in respect of management assessment of estimating potential liability relating to disputed matter as per Note No. 28.16 forming part of financial statements.

The Management conducted an assessment of the effectiveness of the internal control over financial reporting using the criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Based on this assessment, Management is of the view that based on Supreme Court's interim orders and considering the inherent uncertainty in predicting the final outcome of the above litigations estimates the impact of potential liability to be Rs. 170 Lakhs.

**20. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:**

Particulars of loans, guarantees given and investments made during the year under review

in accordance with section 186 of the Companies Act, 2013 is annexed to this report as **Annexure - II.**

**21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the Financial Year under review, as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms a part of the Annual Report as **Annexure -III.**

**22. RISK MANAGEMENT:**

The Company has been addressing various risks impacting the Company and developed risk policy and procedures to inform Board members about the risk assessment and minimization procedures.

**23. WHISTLE BLOWER POLICY/VIGIL MECHANISM:**

Pursuant to Section 177 of the Companies Act, 2013 and the Rules framed there under and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has established a mechanism through which all the stakeholders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle Blower Policy which has been approved by the Board of Directors of the Company has been hosted on the website of the Company at <http://www.gayatrisugars.com/Investors/CorporateGovernance/Policies>

**24. DISCLOSURE AS PER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

Further the Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**25. CORPORATE SOCIAL RESPONSIBILITY ("CSR"):**

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, read with schedule VII, The Board of Directors constituted Corporate Social Responsibility Committee at Board Meeting held on August 14, 2017. The details of the Committee are given in Corporate Governance Report (**Annexure V**). Since, the Company is having average negative profits in the immediately preceding three years, not required to spend any amount towards CSR. However, the Company has adopted Corporate Social Responsibility Policy. The CSR policy is available on the website of the Company [www.gayatrisugars.com](http://www.gayatrisugars.com). The details on CSR policy and activities is presented in the **Annexure-IV.**

**26. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

Demand of Rs. 1,38,81,669/- was raised by the Commissioner of Customs, Central Excise & Service Tax, Hyderabad-1 Commissionerate, being the amount equal to 10% or 5% of the value of Exempted goods i.e. Electricity sold by the company for the period Nov-2006

to Dec-2010 in the case of Kamareddy Unit of Rs. 58.53 Lakhs and for the period Mar-2006 to Mar-2012 in the case of Nizamsagar Unit of Rs. 80.29 Lakhs both put together Rs 138.82 Lakhs.

The Customs, Excise and Service Tax Appellate Tribunal, Regional Bench at Hyderabad has set aside the impugned order for Excise Duty demand of Rs. 58.53 Lakhs relating to Kamareddy Unit of the Company.

The Customs, Excise and Service Tax Appellate Tribunal, Regional Bench at Hyderabad yet to hear relating to Nizamsagar Unit Demand of Rs 80.29 Lakhs.

**27. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT**

After closure of the Financial year, the Company has allotted 13,99,996 equity shares upon conversion of warrants on 12-07-2024.

Other than the mentioned above there were no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

**28. DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE REPORT**

During the period under review, there was no revision of financial statement or the Report

**29. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The policy on dealing with Related Party Transactions is disseminated on the website of the company at <http://www.gayatrisugars.com/CorpPolicies.html>

All the related party transactions by the Company during the year 2023-24 were on an arms' length basis and were in the ordinary course of business and as such the provisions of section 188 are not attracted. There are no materially significant Related Party Transactions with Promoters, Directors, Key Managerial Persons or other designated persons during the year.

The details of Related Party Transactions entered by the Company in the ordinary course of Business at arm's length basis are detailed in the notes forming part of the financial statements.

**30. DEPOSIT:**

During the year, your Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. No amount on account of principal or interest on deposits from public was outstanding as on Balance Sheet date. Further, the Company has received an amount of Rs. 2,295 lakhs from related parties as Inter corporate deposits which are exempted from the definition of Deposit. The outstanding unsecured loan balances which were exempted from the definition of Deposit as on 31st March 2024 is Rs. 5,452.08lakhs (including Term Loan from Sugar Development Fund).

**31. DISCLOSURE ABOUT COST AUDIT:**

As per section 148 of the Companies Act, 2013 and rule 14 of the Companies (Audit and Auditors) Rules, 2014, Company is required to appoint Cost Auditor. The Board of directors and the Audit Committee of the Board has approved the appointment of M/s. Narasimha Murthy & Co., as Cost Auditor to audit the cost records of Sugar, Power and Distillery

division of the Company for the financial year 2024-25 and the remuneration payable to them for the Financial Year 2024-25 is subject to ratification by the shareholders of the Company.

Further as per section 148(1) of the Companies Act, 2013 read with Companies (Accounts) Amendment Rules, 2018, maintenance of cost records as specified by the Central Government under sub section (1) of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

**32. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Your Company has taken adequate steps to adhere to all the stipulations laid down in Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report as **Annexure -V**. Certificate from the practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under aforesaid regulations is attached to this report.

**33. PARTICULARS OF EMPLOYEES:**

Details in respect of remuneration paid to employees as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended forms part of this report. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered Office of the Company.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in **Annexure – VI** and forms part of this Report.

**34. LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2024-25 to BSE Limited where the Company's Shares are listed.

**35. FRAUD REPORTING:**

There have been no instances of frauds reported by the Auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

**36. DEPOSITORY SYSTEM:**

Your Company's Equity Shares are available for dematerialization through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**37. SECRETARIAL STANDARDS:**

The Company has in place proper system to ensure compliance with provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such system are adequate and operating effectively.

**38. AWARDS AND ACCOLADES:**

The company bagged the following Awards from South India Sugar Cane and Sugar Technologists Association (SISSTA) for the past years from 2012-13 onwards:

<b>Year</b>	<b>Category</b>	<b>Award</b>
2023-24	Best Sugar Cane Development	Golden Award
2023-24	Best Co-Generation	Platinum Award
2023-24	Best Technical Efficiency	Golden Award
2022-23	Best Sugar Cane Development	Golden Award
2022-23	Best Co-Generation	Platinum Award
2022-23	Best Technical Efficiency	Golden Award
2021-22	Best Sugar Cane Development	Golden Award
2021-22	Best Co-Generation (Kamareddy Unit)	Golden Award
2021-22	Best Technical Efficiency	Silver Award
2021-22	Best Distillery Performance	Silver Award
2021-22	Best Co-Generation (Nizamsagar Unit)	Silver Award
2018-19	Best Technical Efficiency	Platinum Award
2018-19	Best Sugar Cane Development	Platinum Award
2018-19	Best Co-Generation	Golden Award
2017-18	Best Cogeneration	Platinum Award
2017-18	Best Technical Efficiency	Golden Award
2015-16	Best Cogeneration	Platinum Award
2014-15	Best Cogeneration	Platinum Award
2014-15	Best Technical Efficiency	Silver Award
2014-15	Best Sugarcane Development	Silver Award
2012-13	Best Cogeneration	Platinum Award
2012-13	Best Sugarcane Development	Golden Award
2012-13	Best Technical Efficiency	Silver

**39. Other Disclosures:**

- a. There are no proceedings initiated/pending against Your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.
- b. There were no instances where Your Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.
- c. There were no failure instances occurred to implement corporate actions
- d. No delay in holding the annual general meeting
- e. The shares of the Company have been listed and traded on the BSE Limited. The securities of Company have not been suspended from trading on BSE Limited.

**40. ACKNOWLEDGEMENTS:**

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders, clients, Banks, Central and State Governments, the Companies' valued investors and all other business partners for their continued co-operation and excellent support received during the year.

Yours Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

For and on behalf of the Board of Directors

sd/-

**(T. SARITA REDDY)**

Managing Director

DIN: 00017122

sd/-

**(T.V. SANDEEP KUMAR REDDY)**

Vice Chairman & Director

DIN: 00005573

Place: Hyderabad

Date: August 07, 2024

**ANNEXURE – I**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FORTHEFINANCIALYEARENDED March 31, 2024**

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

To,  
The Members,  
**M/s. Gayatri Sugars Limited**  
Hyderabad, Telangana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Gayatri Sugars Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, hereby report that in our opinion, the company has, during the audit period ended on 31st March, 2024 ('Audit Period') generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial ended on 31st March, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
  - c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
  - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - f. (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable during the audit period);
  - g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;(Not Applicable during the audit period);
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;(Not Applicable during the audit period) and;
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;(Not Applicable during the audit period);

- vi. IWe report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws applicable specifically to the Industry to which the Company belongs, as identified by the management, that is to say;
- Sugar Cess Act, 1982
  - Food Safety and Standards Act, 2006
  - Essential Commodities Act, 1955
  - Boilers Act, 1923
  - Export (Quality Control and Inspection) Act, 1963 (as intimated by the Company, not applicable to it during the audit period under review)
  - Agricultural and Processed Food Products Export Act, 1986 (as intimated by the Company, not applicable to it during the audit period under review)

**We have also examined compliance with the applicable clauses of the following:**

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We report that, during the period under review, the Company has duly complied with the provisions of the Companies Act, 2013, the Regulations of SEBI, and other acts, as specified above, applicable to the industry of the Company.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance except when board meetings were called by giving less than seven days' notice in accordance with the provisions of section 173 of the act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings and Committee Meetings are carried out and are recorded in the minutes of the meeting of the Board of Directors or Committee of the Board as the case may be and majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that during the year the company has taken approval for issuance of 4,15,00,000 convertible warrants and conversion of 1,12,47,023 preference shares into Equity shares of Rs. 10/- each. Accordingly, the subscribers have subscribed 3,38,00,000 convertible warrants on 12.07.2023 and the company has converted 1,10,0,000 preference shares into Equity shares of Rs. 10/- each on 12.07.2023. Further, during the year the company has converted 1,00,96,782 warrants into equity shares of Rs. 10/- each on 12.07.2023 (38,33,333), 09.11.2023 (50,13,449) and 30.12.2023 (12,50,000).

We further report that as far as possible, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Hyderabad  
Date: August 07, 2024

Sd/-  
**T DURGA PALLAVI**  
Practicing Company Secretary  
Membership No. 23864  
C P No. 19724  
UDIN: A023864F000914897  
Peer Review No. 3876/2023

**Note:** This report is to be read with my letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.



**'ANNEXURE A'**

To,  
The Members,  
**M/s. Gayatri Sugars Limited**  
Hyderabad, Telangana

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

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

Place: Hyderabad  
Date: August 07,2024

**Sd/-**  
**T DURGA PALLAVI**  
**Practicing Company Secretary**  
**Membership No. 23864**  
**C P No. 19724**  
**UDIN: A023864F000914897**  
**Peer Review No. 3876/2023**

## ANNEXURE –II

Particulars of Loans, Guarantees or Investments  
[Pursuant to Section 186 of the Companies Act, 2013]

**Amount outstanding as on March 31, 2024**

(Rs. in Lakhs)

Particulars	Amount
Loans Given	0
Guarantee Given	3000.00
Investments made	0

**Loans, Guarantees given or Investments made during the Financial Year 2023-24**

Sl. No.	Name of Entity	Relation	Amount Rupees	Particulars of Loan, Guarantees made or Investments made	Purpose
1.	Union Bank of India	Unrelated	3000 lakhs	Corporate	for Sanction of Crop Loan to sugar cane Farmers

For and on behalf of the Board of Directors

sd/-

**(T. SARITA REDDY)**  
Managing Director  
DIN :00017122

sd/-

**(T.V. SANDEEP KUMAR REDDY)**  
Vice Chairman & Director  
DIN: 00005573

Place: Hyderabad

Date : August 07,2024

## **ANNEXURE - III**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

##### **GLOBAL ECONOMIC OUTLOOK**

The growth of Global Economy is expected to continue grow at 3.2% during 2024 and 2025. The advanced economies, the growth is expected from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025 as reported by World Economic Outlook of International Monetary Fund. The global economy appears poised for a gradual recovering. China is rebounding strongly following the reopening of its economy. IMF forecasts Global inflation will decline steadily from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent 2025 as the advanced economies returning to their inflation targets sooner than emerging market and developing economies.

IMF estimates India's growth at 6.5% in both 2024 and 2025 with an upgrade of 0.23% points for both years, reflecting growth in domestic market.

##### **INDIAN ECONOMY OUTLOOK**

World Economic Forum of IMF estimates India's growth at 6.9% in Financial Year 2023-24. Against the growth of 7.2% in the year 2022-23. FICCI's latest Economic Outlook Survey puts forth an annual median GDP growth forecast for 2022-23 at 6.9 percent. The median growth forecast for agriculture and allied activities has been put at 4.0 percent for 2022-23; while industry and services sector are anticipated to grow by 4.4 percent and 8.7 percent respectively. CPI based inflation has a median forecast of 6.7 percent for 2022-23, with a minimum and maximum range of 6.4 percent and 6.9 percent respectively.

The Reserve Bank of India revised upwards the GDP growth projection for the current fiscal to 7.2 per cent from 7 per cent on rising private consumption and revival of demand in rural areas. The estimates released by the National Statistical Office (NSO) placed India's real gross domestic product (GDP) growth at 8.2 per cent in 2023-24 and the manufacturing activity continues to gain ground on the back of strengthening domestic demand.

##### **GLOBAL SUGAR SCENARIO**

Currently, about 110 countries produce sugar from either cane or beet, and eight countries produce sugar from both cane and beet. Sugarcane, on average, accounts for nearly 80% of global sugar production.

Global sugar production remains in the middle of a decade-long 160-190m tonne range, reaching 180.5 tonnes in 2023-24.

This increase in production for this season is mainly due to weather conditions in Centre-South Brazil, allowing mills to continue crushing cane. However, despite Central South Brazil's record sugar output, the sugar market remains stressed and highly vulnerable to any adverse events. Relying on a single source of supply is unhealthy, and Central South Brazil cannot save the market alone – other regions must also play a role. Without growth in India, global sugar production in 2024-25 is likely to fall.

##### **INDIAN SUGAR INDUSTRY SCENARIO**

###### **Sugar Production and Consumption :**

India is the second largest sugar producer next to Brazil. In India Uttar Pradesh is the major producer of Sugar followed by Maharashtra, Karnataka, Punjab, Bihar, Andhra Pradesh and Telangana. Sugar industry is the most important Agro based industry and impact on the lively hood of Rural India.

Indian Sugar Mills & Bio-Energy Manufacturers Association (ISMA) estimates of sugar production for 2024-25 marketing year (October-September), as pegged the country's gross sugar production (without diversion for ethanol) at 33.310 mn tonnes for 2024-25, from an estimated 33.995 mn tonnes in the current 2023-24 marketing year. Net sugar production is estimated at 31.965 mn tonnes for the current marketing year,

taking into account 2.030 mn tonnes diversion for ethanol making. ISMA has projected an opening stock of 9.05 mn tonnes as on October 1, 2024, while the gross production during 2024-25 (without diversion for ethanol) has been pegged at 33.3 mn tonnes. So, the total availability of sugar would be 42.35 mn tonnes in 2024-25. The domestic consumption is likely to be 29 mn tonnes in the next marketing year, leading the closing stock to 13.35 mn tones as on September 30, 2025.

The normative stock for two and half months has been kept at 5.5 mn tonnes. Therefore, the excess stock over and above normative stock is 7.85 mn tonnes.

ISMA said the excess stock of sugar will be sufficient to support both the unhindered Ethanol Blending Program in 2024-25 season and also exports in the current season leading to a balanced sugar market.

**Price - Sugarcane :**

For the Sugar Crushing Season 2024-25, the Department of Food and Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution, increased the FRP for sugarcane at Rs.340/- per quintal with higher of 8% from Rs 315 of previous year, for a basic recovery of 10.25% and a premium of Rs.3.32Ps for every 0.1% increase in the recovery rate, as recommended by the Commission of Agricultural Costs and Prices (CACP).

With a view to protect the interest of Sugar Cane farmers, with sugar mills having recoveries lower than 10.25%, the Government decided that there shall not be any deduction in case where recovery is below 10.25%; such farmers will get Rs.315.10 per quintal for sugarcane in the current sugar Season.

Fair and Remunerative Pricing (FRP) fixed by Central Government over the last four years and for the ensuing 2024-25 season as under:

Basic details of Cane Price	Crushing Year				
	2020-21	2021-22	2022-23	2023-24	2024-25
Basic Price Linked to Recovery	10%	10%	10%	10.25%	10.25%
Cane Price per Quintal	Rs 285	Rs 290	Rs. 305	Rs. 315	Rs. 340/-
Premium: for every 0.1 percentage point increase in recovery above 10/10.25%	Rs Rs. 2.85 Quintal	Rs Rs. 2.90 Quintal	Rs Rs. 3.05 Quintal	Rs Rs. 3.15 Quintal	Rs Rs. 3.32 Quintal

**Price – Sugar:**

For the first time, the Ministry of Consumer Affairs, Food and Public Distribution, Govt of India, fixed the Minimum Selling Price (MSP) of Sugar at Rs 2900/- per quintal in June, 2018 and increased to Rs 3100/- per quintal in Feb 2019. However, since, the MSP is not matching with cost of production, the Indian Sugar Mills & Bio-Energy Manufacturers Association represented the Ministry of Consumer Affairs, Food and Public Distribution for increase of MSP. The Central Government yet to take a decision.

**Government Policies towards Sugar Industry:**

1. Increase of FRP of Sugar Cane.
2. Increase of Ethanol price produced from C Heavy Molasses
3. Encourage Sugar Mills to establish integrated Potash Derived from Molasses granulation Units
4. Compulsory use of jute bags for packing of Sugar under the Jute Packaging Act 1987
5. Amendment to Energy Conservation Act, 2001, designating Sugar as an Energy Intensive Industry
6. Central Procurement of Sugar by Army Purchase Organisation for 2024-25

**Indian Bio Fuel Sector Overview:**

Molasses is one of the by-product obtained from raw sugar during the manufacturing process. The ethanol can be produced in three different ways i.e. from Juice/ Syrup, B- heavy Molasses and C- Heavy Molasses.

The Government of India is keen on encouraging low carbon and environment friendly vehicles and imposed compulsory blending of Ethanol. Ethanol which is a bio fuel and blending with petrol will curb on vehicular pollution and on other hand also saves foreign exchange required for import of crude oil by reducing country' dependence on import of crude oil.

The Central Government targeted for blending of Ethanol with Petrol by advancing the targets from 10% to 20% by 2025-26 (which was earlier targeted by 2030), along with improved pricing for Ethanol Supply to Oil Marketing Companies (OMCs). To achieve the targets, Government of India encouraging by giving directions to Commercial Banks to advance Term Loans and Soft loans on interest subvention for establishment of new ethanol produce units and for expansion of capacity of existing units.

The OMCs fixed the price of Ethanol from C Molasses fixed at Rs 56.28 per Lt with an increase of Rs 6.87 paisa per litre from previous price of 49.41 Per Lt and a price of ₹71.86 a litre for maize and ₹64 per litre for ethanol made from damaged foodgrains.

The OMCs released an indicative allocation list for the two quarters-November 2023-April 2024 period, which earmarked 42.56 crore liters to be produced from Sugar Cane Juice for which 7 lakh tones of sugar will be diverted, For B- heavy Molasses a quantity of 114.76 crore liters has been allocated which will lead to 10 lakh tones of sugar diversion.

On 7th December, 2023, the government banned sugar mills and distilleries from using sugarcane juice or sugar syrup for producing ethanol with immediate effect to ensure adequate availability of sugar for domestic consumption. However, the ban is a "temporary pause" due to a lack of clarity on sugar output for the current season.

**COMPANY FUTURE OUTLOOK**

The Sustainability of Sugar Industry depends upon availability of quality cane, which is a major concern. To overcome this, your Company constantly encourages the farmers by supplying quality seed, technical assistance, expert opinion and scientific methods of cultivation, ratoon management and other resources like facilitating harvesting labour, mechanised harvesting and transport facility of harvested cane to mill.

**Availability of Cane:**

Availability of Cane is the main concern of the Company. For the Crushing season 2024-25, the company targeted to crush 7 to 7.5 lakh tons of Cane.

**Ethanol Production:**

The company estimates production of 80 lakh litres of Ethanol from C-Heavy Molasses.

**Power :**

Another by product of sugar industry is Bagasse which is used for generation of green power. The company has signed Power Purchase Agreement with the Government of Telangana for supplying power to the grid. The Company has 25mw of power and after using 9 mw for captive consumption, exports the excess power to state Grid,

**SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE DURING THE FINANCIAL YEAR 2023-24:**

**Sugar :**

During the Financial Year 2023-24 under review, the crushing operations for the crushing season 2023-24 at Kamareddy unit were commenced on 17th November, 2023 and closed operations on 5th March, 2024

and total number of days operated were 110 days (previous year operations on 11th November, 2022 and closed on 26th March, 2023 and total number days operated were 136 days) .

The crushing operations for the crushing season 2023-24 at Nizamsagar unit were commenced on 6th November, 2023 and closed operations on 28th February, 2024 and total number of days operated were 114 days (previous year operations commenced on 20th November, 2022 and closed on 12th March, 2023 and total number days operated were 126 days) .

During the Crushing Season 2023-24, at both the units 6.87 Lakh Tonnes of Sugar Cane was crushed and 7.62 Lakh Quintals of sugar produced with an average recovery of 11.10% comparing to the previous season 2022-23 crushing of 8.47 Lakh Tonnes of Sugar Cane and Sugar of 9.56 Lakh Quintals with an average recovery of 11.28%. In detail, at Kamareddy Unit, 3.25 Lakh Tonnes of Sugar Cane was crushed (Previous Season 4.37 Lakh Tonnes) and produced sugar of 3.60 Lakhs Quintals (Previous Season 4.94 Lakh Quintals) with an Average Recovery of 11.10% (Previous Season 11.30%) and at Nizamsagar Unit 3.62 Lakh Tonnes (Previous Season 4.10 Lakh Tonnes) of Sugar Cane crushed and produced sugar of 4.02 Lakhs Quintals (Previous Season 4.62 Lakh Quintals) with an Average Recovery of 11.10% (Previous Season 11.27%).

**Distillery:**

During the Financial Year 2023-24, the Distillery unit produced Ethanol of 82.95 Lakh Litres and Impure Spirit (IS) 0.28 Lakh Litres totalling to 83.23 lakh Litres (compared to the previous year of Ethanol of 90.01 lakh Litres and Impure Spirit (IS) 0.40 Lakhs, totalling to 90.41 lakh Litres).

**Power:**

The Export of Power during the crushing season 2023-24 was to the extent of 277.71 Lakh kwh (Kamareddy Unit 40.94 Lakh kwh and Nizamsagar Unit 236.77 lakh kwh) as compared to the previous year season of 324.87 Lakh kwh (Kamareddy Unit 52.93 Lakh kwh and Nizamsagar Unit 271.94 lakh kwh).

**Manufacturing:**

The Company is continuously implementing better manufacturing methods to increase operational efficiencies and to eliminate process losses.

**OPPORTUNITIES & THREATS RISK AND CONCERNS**

As explained above, the major risk is availability of cane, Company is continuously focusing on implementation of various measures as discussed in company future outlook section. Company is continuously improving on operational efficiency and is best in terms of efficiency in the southern region of India.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has well-established processes and clearly-defined roles and responsibilities for people at various levels. The control mechanism also involves well documented policies, authorisation guidelines commensurate with the level of responsibility and Standard Operating procedures (SOP) specific to the respective businesses. Adherence to these processes is ensured through frequent internal audits and adequate and effective internal audit system that employs periodic checks on on-going process. The internal audits conducted are reviewed by the Audit Committee and requisite guidelines and procedures augment the internal controls. The internal control system is designed to ensure that financial and other records are reliable for preparing financial statements and other information which ensures that all transactions are properly reported and classified in the financial records.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Financial Statements of the Company for the year 2023-24 has been prepared in accordance with the Accounting Principles Generally Accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2015 (as amended).

During the Financial Year 2023-24, the Overall performance of the Company is as under:

## Twenty Ninth Annual Report

### Production:

Details	Financial Year 2023-24	Financial Year 2022-23
Total Cane Crushed	6,86,713 Tones	8,46,585 Tones
Sugar Production	7,62,256 Quintals	9,53,905 Quintals
Recovery	11.10 %	11.285 %
Molasses production	30,870 Tones	37,870 Tones
Power Exported	277.71 lakh Units	324.87 lakh Units
Distillery Unit: Ethanol Impure Spirit (IS) Production	82.95 lakh Litres 0.28 lakh Litres	90.01 lakh Litres 0.40 lakh Litres

### Financial Review:

#### Capital:

During the year 2023-24, the Share Capital of the company was increased from Rs 43,70.05 lakhs to Rs 64,79.71 lakhs with an increase of Rs 21,09.66 lakhs, by issue of 100,96,662 Equity Shares of Rs 10/- each to Equity warrant holders aggregating to Rs10,09.66 Lakhs and further by conversion of 110,00,000 – 6% Optionally Convertible Redeemable Preference Shares of Rs 10/- each aggregating to Rs 1100.00 lakhs into Equity Shares. The balance in Preference Share Capital after conversion into Equity Share Capital, has been reclassified as Borrowings (Financial Liability) as per the Indian Accounting Standards applicable to the Company from the Financial Year 2017-18.

#### Net Worth:

The net worth of the Company eroded due to losses incurred by the Company during the previous financial years.

#### Long Term Debt:

The long Term Borrowings from Banks including current maturities of the Company increased from Rs. 92,25.94 lakhs to Rs.105,70.10 lakhs with an increase of Rs13,44.16 for the Financial Year 2023-24. The increase was due to sanction of new Term Loan and consideration of accrued interest on SDF Term Loan. Further, reduction of 6% Optionally Convertible Redeemable Preference Shares into Equity shares and also the company borrowed un-secured loans.

#### Working Capital:

During the current financial year, the company brought down the working capital facility from sanctioned limit of Rs 6,759.00 lakhs to Rs 2,800.00 lakhs.

#### Gross Block of Assets:

The gross block of the Company, during the Fin Year 2023-24, was increased from Rs. 29,492.34 lakhs to Rs. 29,909.80 lakhs because of capital expenditure incurred on sugar plant. During the year, the Company provided depreciation and amortization of Rs. 666.75 lakhs as per the provisions of Schedule II of the Companies Act, 2013.

#### Inventories:

Value of inventories stood at Rs. 5038.90 lakhs as at 31st March, 2024.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

In a challenging and competitive environment, the Company believes that people are the key to success and continues to focus on people capabilities by leveraging technology and creating a learning environment. The Human Resources function proactively develops innovative and business focused methods to attract, develop, motivate and retain talent. Human resources strategy is closely aligned to key business and stems from the organisation purpose which is – “To build Credible, Reliable & Capable Human Capital to deliver superior Individual and Business performance”. This vision is delivered by a high level of policy deployment initiatives and contemporary HR practices focusing key imperatives such as Capability Development, Talent Management, Employee Engagement, Productivity & Cost and HR excellence.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**Details of Key Financial Ratios :**

Sl. No.	Details	2023-24
1.	Debtors Turnover	24.59
2.	Inventory Turnover	4.39
3.	Interest Coverage Ratio	1.56
4.	Current Ratio	0.60
5.	Debt Equity Ratio (Times)	(1.43)
6.	Operating Profit Margin (%)	8.31
7.	Net Profit Margin (%)	1.87

**CAUTIONARY STATEMENT**

The management discussion and analysis report containing your Company’s objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement. Your Company’s operation may inter-alia be affected by the supply and demand situations, input price and the availability, changes in the government regulations, tax laws and other factors. The Company cannot guarantee the accuracy of the assumptions and perceived performance of the Company in future.

For and on behalf of the Board of Directors

sd/-

**(T. SARITA REDDY)**  
Managing Director  
DIN :00017122

sd/-

**(T.V. SANDEEP KUMAR REDDY)**  
Vice Chairman & Director  
DIN: 00005573

Place: Hyderabad

Date : August 07, 2024



**ANNEXURE - IV**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)  
ACTIVITIES for FY 2023-24**

**(Pursuant to Rule 8 of Companies [Corporate Social Responsibility Policy] Rules, 2014)**

<b>1.</b>	<b>Brief outline on CSR Policy of the Company</b>		
	Our CSR initiatives are guided by our CSR Policy ('Policy'). Our CSR activities focus on hunger, poverty, education, gender equality, environmental sustainability, rural development projects, ecological balance and are in alignment with our CSR Policy.		
<b>2</b>	<b>Composition of CSR Committee</b>		
	a	Mr. R S Bhalerao	Chairperson
	b	Mr. T. V. Sandeep Kumar Reddy	Member of the Committee
	c	Mrs. T. Sarita Reddy	Member of the Committee
3	The web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: The composition of the CSR Committee: <a href="http://www.gayatrisugars.com/compositionofcommittees.html">http://www.gayatrisugars.com/compositionofcommittees.html</a> CSR Policy: <a href="http://www.gayatrisugars.com/pdf/CG/Corporate_Social_Responsibility_Policy.pdf">http://www.gayatrisugars.com/pdf/CG/Corporate_Social_Responsibility_Policy.pdf</a> CSR Projects as approved by the Board: <a href="http://www.gayatrisugars.com">www.gayatrisugars.com</a>		
4	Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable		
5	Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:		
	S No	Financial year	Amount available for set-off from preceding financial years (in Rs. In lakhs)
			Amount required to be set-off for the financial year, if any
	Not Applicable		
6	a.	Average net profit/(loss) of the company as per section 135(5) (Rs. In Lakhs)	(2,268.22)
7	a.	Two percent of average net profit of the company as per section 135(5)	Nil
	b.	Surplus arising out of the CSR projects or programs or activities of the previous financial years	Nil
	c.	Amount required to be set-off for the financial year, if any	Nil
	d.	Unspent CSR Amount Carried Forward from the FY 2022-23	Nil
	e.	Total CSR obligation for the financial year ((b)+(c)-(d))	Nil

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in Lakhs)	Amount Unspent ( ₹ in Lakhs)						
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)				
	Amount	Date of transfer.	Name of the Fund	Amount	Date of transfer		
<b>0.31</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>		
<b>f.</b>	<b>Excess amount for set-off if any</b>						
	<b>Sl. No.</b>	<b>Particular</b>			<b>Amount ( ₹ in Lakhs )</b>		
	(i)	Two percent of average net profit of the company as per section 135(5)			Nil		
	(ii)	Total amount spent for the Financial Year			Nil		
	(iii)	Excess amount spent for the financial year [(ii)-(i)]			Nil		
	(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any			Nil		
	(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]			Nil		
<b>7</b>	<b>Details of Unspent Corporate Social Responsibility amount for the preceding three financial years</b>						
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6), (₹ in lakhs)	Balance Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (₹ in Lakhs )
				Name of the Fund	Amount (₹Lakhs)	Date of transfer.	
				NA			
<b>8</b>	Whether any capital assets have been created or acquired through corporate social responsibility amount spent in the financial year: No						
<b>9</b>	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not applicable.						

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### Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration	(7) Amount allocated for the project ₹ in Lakhs).	(8) Amount spent in the current financial Year (₹ in lakhs)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in lakhs)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Public Health	Fogging in Villages	Yes	Telangana	Kama reddy	Not Applicable	0.31	0.31	Nil	Yes	Not Applicable	Not Applicable

### (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount allocated for the project (₹ in lakhs)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Nil								

(b) Amount spent in Administrative Overheads: Rs. Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 0.31Lakhs

(e) Excess amount for set off, if any : No

#### RESPONSIBILITY STATEMENT

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy is in compliance with the CSR objective and policy of the Company.

sd/-

**R S Bhalerao**

Chairman CSR Committee

DIN : 07652493

sd/-

**T. Sarita Reddy**

Managing Director

DIN :00017122

Place: Hyderabad

Date : August 07, 2024

## ANNEXURE - V

### CORPORATE GOVERNANCE REPORT

**(As required by Regulation 34 read with Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

#### A. MANDATORY REQUIREMENTS

##### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company is a firm believer in core values of Corporate Governance Code. The Company fully understands the rights of its shareholders to have information on the performance of the company and considers itself a trustee of its shareholders. The Company is committed to good corporate governance, adherence to Statutory and regulatory prescriptions, care for environment and social responsibility. Before making any business decision, we take into account stakeholders' interest.

Company has adopted Code of Conduct which articulates the values, ethics and business principles and serves as a guide to the Company, its directors and employees supplemented with an appropriate mechanism to report any concern pertaining to non-adherence to the said Code. The Company is in full compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The code of conduct is available on the website of the company at [www.gayatrisugars.com](http://www.gayatrisugars.com)

##### 2. BOARD OF DIRECTORS ("Board")

The composition of the Board is well balanced with expertise drawn from Industry, Management, Financial and Agriculture. The Company has Non executive Chairperson.

i) Composition and category of directors as on 31st March, 2024

Category	No. of Directors
Executive Directors	1
Promoter Non Executive & Non Independent Directors	2
Non Executive & Independent Directors	3

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and that they are independent of the management.

The Company has issued formal letter of appointment to the Independent Directors. As required under Regulation 46 of the Listing Regulations, as amended, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on the website of the company [www.gayatrisugars.com](http://www.gayatrisugars.com)

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- ii) Attendance of each Director at the Board Meetings held during the year and at the last Annual General Meeting and the Number of other Boards / Board committees in which the Directors are either Member or Chairperson.

Key information pertaining to Directors as on 31st March, 2024

Name of the Director	Category	No. of Board Meetings attended / held	Whether Attended fast AGM held on September 27, 2023	No of Directorship in other Companies#		No of Committee Position held in other Companies*		Directorship in other Listed Entity
				Chairman	Members	Chairman	Members	
\$Mrs. T. Indira Reddy	Chairper son and Promoter Director	5/6	No	Nil	13	Nil	1	1. Gayatri projects Limited (Non-Executive, Non-Independent Director)
\$Mrs. T. Sarita Reddy	Managing Director	6/6	Yes	Nil	7	Nil	1	Nil
\$Mr. T. V. Sandeep Kumar Reddy	Non- Executive Director	6/6	Yes	Nil	14	1	4	1. Gayatri Bioorganic Limited (Non-Executive, Non-Independent Director) 2. Gayatri projects Limited (Executive, Non-Independent Director)
Mr. T. R. Rajagopalan	Independent Non-Executive Director	6/6	Yes	Nil	Nil	Nil	Nil	Nil
Mr. P.V. Narayana Rao	Independent Non-Executive Director	6/6	Yes	Nil	3	1	3	1. Gayatri Bioorganic Limited (Non-Executive, Independent Director)
Mr. Raghuraj Suresh Bhalerao	Independent Non-Executive Director	4/4	YES	Nil	Nil	Nil	Nil	Nil

# Excludes Directorship in Section 8 Companies and Gayatri Sugars Limited.

\* Includes only Membership and Chairmanship in Audit and Stakeholder Relationship Committee.

- iii) Details of the familiarization programmes imparted to Independent Directors are disclosed in the company's website: <http://www.gayatrisugars.com>.

**iv) Director qualifications, skills, expertise, competencies and attributes desirable In Company's business and sector in which it functions-**

<b>Skills/Expertise/Attributes</b>	<b>Description</b>
Adhering to Company Values and Culture	Appreciative of Company core values and maintain integrity in functioning.
Understanding of Industry and Operations	Knowledge of operations, business environment and challenges in manufacturing industry
Knowledge of Law and Corporate Governance	Awareness about the regulatory compliances and internal controls, regulatory eco system in which company operates

**v) BOARD MEETINGS:**

Our Secretarial Department in consultation with the Key Managerial Personnel, Managing Director and with Board decided the dates on Board Meetings, the schedule of Board Meetings and Board Committee Meetings are communicated in advance to all the Directors to enable them to schedule their meetings.

Our Board met 6 (Six) times in the Financial Year 2023–24 on 1st May 2023, 24th May 2023, 7th August 2023, 14th November 2023, 19th December 2023 and 14th February 2024.

The Company Secretary/Chief Financial Officer prepares the Agenda and Explanatory notes, in consultation with the Chairperson and Managing Director for each meeting and circulates the same in advance as per the rules and regulation to the Directors. A tentative annual calendar for the meetings of the Board and Audit Committee to be held in each quarter has been circulated to facilitate and assist the Directors to plan their schedules for the meetings for meaningful, informed and focused decisions. Every Director is free to suggest the inclusion of items on the agenda. The Board meets at least once in every quarter to review the quarterly results and other items on the agenda. The Board is given presentation covering industry environment, project implementation, project financing and operations of the Company. Additional meetings are held, when necessary. The draft minutes of the proceedings of the Board of Directors are circulated in advance and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairperson. Senior executives are invited to provide additional inputs at the Board Meeting for the items being discussed by the Board of Directors, as and when necessary.

The Company has an effective post meetings follow up, review and reporting process mechanism for the decisions taken by the Board/Committees. Action taken report on decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the members.

The Company Secretary while preparing the agenda notes, minutes etc., of the meeting is responsible for and is required to ensure adherence to all applicable laws, rules, regulations including the Companies Act, 2013 read with rules made there under.

### **3) AUDIT COMMITTEE**

The Audit Committee of the Company is constituted in line with the Regulations 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

#### **i) Powers of Audit Committee:**

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain an outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **ii) Role of Audit Committee:**

The role of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to the statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by Management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**iii) Review of information by Audit Committee:**

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;



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3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  4. Internal audit reports relating to internal control weaknesses; and
  5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- iv) The previous Annual General Meeting of the Company was held on 27.09.2023 and the Chairman of Audit Committee was present at the 28th AGM of Company.
- v) The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:
- vi) Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows: 2023-24 on 1st May 2023, 25th May 2023, 7th August 2023, 14th November 2023, 19th December 2023 and 14th February 2024. Quorum was present at all the meetings of the Audit Committee.

The maximum gap between any two meetings is not more than 4 months.

### Audit Committee Meetings and Attendance:

Name	Designation	Category	No. of Audit Committee meetings	
			Held	Attended
Mr. T.R. Rajagopalan	Chairman	Non-Executive Independent Director	6	6
Mrs. T. Sarita Reddy	Member	Managing Director	6	6
Mr. Raghuraj Suresh Bhalerao	Member	Non-Executive Independent Director	6	6
Mr. P.V. Narayana Rao	Member	Non-Executive Independent Director	6	6

The necessary quorum was presenting at all the meetings. The Chairman of Audit Committee was presented at the 28th AGM of the Company.

#### 4) NOMINATION AND REMUNERATION COMMITTEE

The board terms of reference of the Nomination and Remuneration Committee are as under:

- a) To ensure that the level and composition of remuneration is reasonably and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay.
- b) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- c) To identify persons who may be appointed in senior management in accordance with the criteria laid down.

- d) To carry out evaluation of every director's performance and recommend to the board his/her appointment and removal based on the performance.

**Nomination and Remuneration Committee – Composition and Attendance:**

Name	Designation	Category	No. of Nomination and Remuneration Committee Meetings	
			Held	Attended
Mr. T.R. Rajagopalan	Chairman	Non Executive Independent Director	1	1
Mrs. T. Indira Reddy	Member	Non Executive, Non Independent Director	1	0
Mr. Raghuraj Suresh Bhalerao	Member	Non Executive Independent Director	1	1

During the financial year 2023-24, one meeting of Nomination and Remuneration Committee was held on 7th August 2023. The Chairman of Nomination and Remuneration Committee was presented at the 28th AGM of the Company.

The remuneration policy and the criteria for making payments to Non-Executive Directors is available on our website [www.gayatrisugars.com](http://www.gayatrisugars.com). The Committee coordinates and oversees the annual self-evaluation of the performance of the Board, Committees and of individual Directors.

**Remuneration and sitting fees paid to the Directors during the Financial Year 2023-2024**

Name of the Director	Category	Remuneration payable /paid	
		Salary & Perks (Rs. Lakhs)	Sitting fees (Rs. in Lakhs)
Mrs. T. Indira Reddy	Non Executive Chairperson	—	0.25
Mr. T.V. Sandeep Kumar Reddy	Non-Executive Vice Chairman	—	0.30
Mrs. T. Sarita Reddy	Managing Director	60.00	—
Mr. T.R. Rajagopalan	Non Executive /Independent	—	0.34
Mr. Raghuraj Suresh Bhalerao	Non Executive/ Independent	—	0.34
Mr. P.V. Narayana Rao	Non Executive/ Independent	—	0.34

**Performance Evaluation Criteria for Independent Directors**

Performance Evaluation Criteria for Independent Directors

The Nomination and Remuneration Committee lays down the criteria for Evaluation of Independent Directors. The Board has carried out the annual performance evaluation of Independent Directors individually based on the criteria approved by the Nomination and Remuneration Committee. A structured questionnaire was prepared after taking into consideration

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various aspects such as adequacy of the composition of the Independent Directors, effectiveness in developing corporate governance structure to fulfil its responsibilities, execution and performance of specific duties etc. The Board decided that the performance of independent directors is excellent.

### 5) STAKEHOLDERS RELATIONSHIP COMMITTEE

#### a) A Stakeholders Relationship Committee of Directors reviews the following:

- Transfer/transmission of shares / debentures
- Issue of duplicate share certificates
- Review of shares dematerialized and all other relevant matters
- Monitors expeditious redressal of investor's grievances
- Non receipt of Annual Reports and declared dividend
- All other matters related to shares/debentures

#### The Constitution of Stakeholders Relationship Committee is as follows:

Name	Designation	Category	No. of Nomination and Remuneration Committee Meetings	
			Held	Attended
Mr. Raghuraj Suresh Bhalerao	Chairman	Non-Executive Independent Director Member	1	1
Mr. T. V. Sandeep Kumar Reddy	Member	Non-Executive Non Independent Director Member	1	1
Mrs. T. Sarita Reddy	Member	Non-Executive Director Member	1	1

The Stakeholders Relationship Committee meeting was held during the financial year 2023-24 on 14th February 2024.

#### b) Name and Address of Compliance Officer

##### CS DSVR SUSMITHA

Company Secretary & Compliance Officer  
B2, 2nd Floor, TSR Towers,  
Raj Bhavan Road, Somajiguda,  
Hyderabad - 500 082.  
Tel: +91 40 2341 4823 Fax: +91 40 2341 4827  
E Mail: cs.gsl@gayatri.co.in

#### c) Details of complaints/requests received and redressed:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	NIL	NIL	NIL

**6. The Constitution of Corporate Social Responsibility Committee is as follows :**

Name	Designation	Category	No. of Nomination and Remuneration Committee Meetings	
			Held	Attended
Mr. Raghuraj Suresh Bhalerao	Chairman	Non-Executive Independent Director	0	0
Mr. T. V. Sandeep Kumar Reddy	Member	Non-Executive Director	0	0
Mrs. T. Sarita Reddy	Member	Managing Director	0	0

As per the provisions of the Companies Act, 2013, the Company is not required to spend any amount towards Corporate Social Responsibility. However, the Company has spent an amount of Rs. 0.31 lakhs for the good-selves of the people.

**7. MEETING OF INDEPENDENT DIRECTORS:**

The Independent Directors of the Company had met during the year on 14th February 2024 to review the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

The Company had also further during the year, conducted Familiarization programme for Independent Directors of the Company and the details of such familiarization programmes are disseminated on the website of the Company.

([http://www.gayatrisugars.com/pdf/CG/Familiarization\\_Programme\\_for\\_Independent\\_Directors-New.pdf](http://www.gayatrisugars.com/pdf/CG/Familiarization_Programme_for_Independent_Directors-New.pdf)).

**8. General Body Meetings****(i) Annual General Meeting****Location, date and time of last three Annual General Meetings (AGMs) and Special Resolutions passed there at:**

Year	Venue	Day and Date	Time	Special Resolution passed
2022-23	At the Registered Office of the Company via two-way Video conference / other Audio-Visual Means only- in accordance with the General Circular issued by the Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020	Wednesday, September 27, 2023	11.00 AM	1. To consider and give approval for increasing in remuneration to Mrs. T. Sarita Reddy, Managing Director
2021-22	At the Registered Office of the Company via two-way Video conference / other Audio-Visual Means only- in accordance with the General Circular issued by the Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020	Monday, September 26, 2022	3.30 PM	Nil
2020-21	At the Registered Office of the Company via two-way Video conference / other Audio-Visual Means only- in accordance with the General Circular issued by the Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020	Wednesday, September 29, 2021	12.30 PM	1. Re-appointment of Mr. Raghuraj Suresh Bhalerao as an Independent Director  2. Re-appointment of Mrs. T. Sarita Reddy as Managing Director of the Company w.e.f. 1st May 2022 to April 30, 2025

All the Special Resolutions placed before the shareholders at the above meetings were approved.

The Company had not conducted any postal ballot during the financial year 2023-24. However, the company has conducted the EGM on 27.05.2023 for obtaining approval for increase in Authorised Share Capital and to issue of share warrants on preferential basis.

There management is proposing Special Resolutions to be conducted in the ensuing 29th AGM and resolutions are mentioned in the notice forming part of this Annual Report.

**b. Disclosures****i) Disclosures on materially significant related party transactions**

There have been no materially significant related party transactions with the Company's Promoters and Directors, the Management, their subsidiaries or relatives which may have potential conflict with the interests of the Company. The necessary disclosures regarding the transactions with Related Parties are given in the Notes to the Accounts.

Registers under Section 188 / 189 of the Companies Act, 2013 are maintained and particulars of transactions are entered in the Register, wherever applicable.

**ii) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

The company has complied with all the requirements of the listing agreement and SEBI (LODR) Regulations, 2015 with the stock exchanges as well as regulations and guidelines of SEBI except the BSE Limited levied an amount of Rs. 1,49,860/- for non-appointment of Company Secretary in the Financial Year 2021-22. No penalties or strictures imposed by SEBI, Stock Exchanges or any Statutory Authorities on matters relating to the capital markets during the last three years.

**iii) Disclosure relating to Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee.**

Company has established a Vigil Mechanism System/Whistle blower policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. Further, as per the provisions of the Companies Act, 2013 the Audit Committee of the company oversees the Vigil Mechanism System/ Whistle blower policy in the company and no personnel has been denied access to the Audit Committee. The said policy is available on website of the company at <http://www.gayatrisugars.com/CorpPolicies.html>

**iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

The Company has complied with all the mandatory requirements of corporate governance and are being reviewed from time to time.

**e) Web link for policy on dealing with related party transactions.**

<http://www.gayatrisugars.com/CorpPolicies.html>

**f) Risk Management**

The Risk Management Committee has formed to identify risks and then manage threats that could severely impact or bring down the organization and identifying potential threats to the organization and the likelihood of their occurrence, and then taking appropriate actions to address the most likely threats.

The company has constituted a Risk Management Committee with the following directors:

- |  |               |
|--|---------------|
| 1. T. Sarita Reddy, Managing Director    | - Chairperson |
| 2. T. V. Sandeep Kumar Reddy, Director   | - Member      |
| 3. R. S. Bhalerao, Independent, Director | - Member      |
| 4. V. R. Prasad, Chief Financial Officer | - Member      |

**Term of Reference:**

- To consider the Company’s risk management strategies
- To consider, review and approve risk management policies and guidelines
- To decide on risk levels, risk appetite and related resource allocation
- To approve major decisions affecting the Company’s risk profile or exposure and give such directions as it considers appropriate
- To approve major risk management activities such as hedging transactions
- To review the Company’s approach to risk management and approve changes or improvements to key elements of its processes and procedures
- Provide any information/reports as and when required by the Board
- And any other matters as per the risk policy of the Company

**vii) Means of Communication**

The quarterly, half yearly un-audited financial results and the annual audited financial results are published in leading News Papers namely, Financial Express and Manam/ ManaTelangana. The results are also displayed on the Company’s website [www.gayatrisugars.com](http://www.gayatrisugars.com) and Official news releases, presentations made to media, if any, are also displayed on the Company’s website.

**viii) Compliance of Insider Trading Norms**

The Company has adopted the code of internal procedures and conduct for Listed Companies notified by the Securities Exchange Board of India prohibiting insider trading.

**ix) GENERAL SHAREHOLDERS’ INFORMATION**

**a) Date, Time and Venue of Annual General Meeting:**

<b>Financial Year</b>	<b>2023-24</b>
Day, Date and Time	Friday, 27th September, 2024 at 11.30 AM
Venue	Through Video Conferencing (e- AGM)

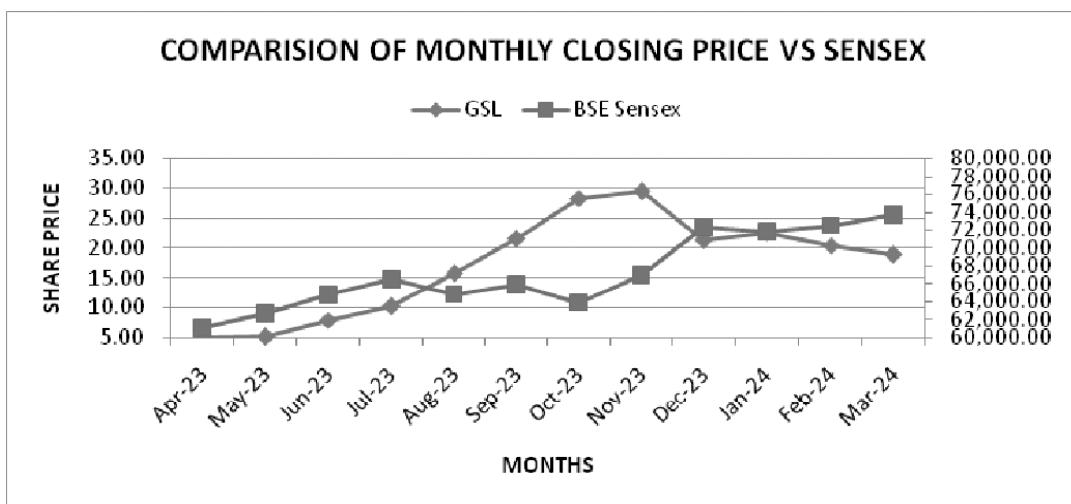
**b) Financial Calendar (tentative):** Financial Year 1st April, 2023 to 31st March, 2024

<b>Quarter Ending</b>	<b>Release of Results</b>
June 30, 2024	On or before August 14, 2024
September 30, 2024	On or before November 14, 2024
December 31, 2024	On or before February 14, 2025
March 31, 2025	On or before May 30, 2025

- c) Date of Book closure** : 21st September 2024 to 27th September, 2024  
(Both days inclusive)
- d) Dividend Payment date** : Not Applicable.
- e) Listing on Stock Exchanges** : BSE Ltd.  
PJ Towers, Dalal Street, Fort, Mumbai 400001.
- f) Scrip ID and code** : 532183 & GAYATRI
- g) Depository for Equity Shares** : NSDL and CDSL
- h) Demat ISIN Number** : INE622E01023
- i) Market Price data** : High/ Low during each month in the  
Financial year 2023-24

Month	BSE SHARE PRICE		
	High Price	Low Price	Volume (No of Shares traded)
Apr-23	4.93	3.02	8,09,260
May-23	5.17	5.17	13,17,259
Jun-23	7.96	5.17	2,96,596
Jul-23	10.22	8.35	10,84,717
Aug-23	15.65	10.42	17,74,418
Sep-23	21.38	15.96	38,59,292
Oct-23	28.28	20.96	20,62,882
Nov-23	29.41	20.46	30,00,207
Dec-23	29.30	21.29	12,71,419
Jan-24	27.86	19.98	17,02,148
Feb-24	24.70	20.27	8,81,762
Mar-24	24.81	20.27	6,74,783

Gayatri Sugars Share Price versus BSE SENSEX:





## Twenty Ninth Annual Report

### j) Share transfer system:

Transfer of shares held on Dematerialized form are done through the depositories with No involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with the Registrars at the above mentioned addresses. Transfers of shares in physical form are normally processed within 15 days from the date of receipt, if the documents are complete in all respects. The Directors, the Chief Finance Officer and the Company Secretary are severally empowered to approve transfers.

Further, Shareholders may note that SEBI and MCA has mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after April 01, 2019, can do so only in dematerialized form. We request you to dematerialize your physical shares for ease of transfer.

### k) Categories of shareholders as on March 31, 2024:

Shareholders	As on 31.03.2024		As on 31.03.2023	
	No. of Shares	%	No. of Shares	%
Promoters	3,48,77,281	53.82	2,38,77,281	54.63
Financial Institutions and Banks	-	-	-	-
corporate bodies	52,02,961	8.03	50,53,090	11.56
Indian Public	2,46,43,011	38.03	1,46,17,908	33.45
NRI/OCB/other including trusts	77,052	0.12	1,55,364	0.36
<b>Total</b>	<b>6,48,00,305</b>	<b>100.00</b>	<b>4,37,03,643</b>	<b>100.00</b>

### l) Distribution of Shareholding as on March 31, 2024:

Shareholding	Total no of shareholders	% to total shareholders	Total No of shares	% to total capital
1-500	21,056	869.94	22,99,454	3.62
501-1000	1520	6.28	12,20,913	1.92
1001 – 2000	744	3.07	11,41,860	1.80
2001 – 3000	241	1.00	6,23,906	0.98
3001 – 4000	129	0.53	4,68,278	0.74
4001 – 5000	102	0.42	4,84,743	0.76
5001 – 10000	197	0.81	15,09,738	2.38
10001 - above	231	0.95	5,58,01,413	87.81
<b>Total</b>	<b>24,220</b>	<b>100</b>	<b>6,35,50,305</b>	<b>100</b>

**m) Dematerialization of shares and liquidity:**

Shares of the Company can be held and traded in electronic form. As stipulated by SEBI, the shares of the Company are accepted in the Stock Exchanges for delivery only in dematerialized form.

**Status of Dematerialization of shares as on March 31, 2024 :**

Held in NDSL: 4,01,41,907 shares (61.95% in total share capital of the Company)

Held in CDSL: 2,33,83,116 shares (36.08% in total share capital of the Company)

Held in Physical: 25,282 shares (0.04% in total share capital of the Company)

**Dematerialization mandatory for effecting share transfers**

SEBI has vide proviso to Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandated that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, the Company shall not process any requests for transfer of shares in physical mode. Shareholders who desire to demat their shares can get in touch with any Depository Participant having registration with SEBI to open a demat account and follow the procedure for share transfers.

**Bank Details**

Shareholders holding shares in the physical form are requested to advise the Registrar Transfer Agent of change in their address / mandate / bank details to facilitate better servicing. Shareholders are advised that their bank details, or where such details are not available, their addresses, as furnished by them to the Company or to the Depository participant, will be printed on the dividend warrants as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a measure of protection against fraudulent encashment.

**Permanent Account Number (PAN)**

Shareholders holding shares in the physical form are mandatorily required to furnish copy of PAN Card in the following transactions:

- i. Transfer of shares – Transferee and Transferor
- ii. Transmission of shares - Legal heirs' or Nominees'
- iii. Transposition of shares - Joint holders' and
- iv. In case of decease of shareholder - Surviving joint holders'

As on March 31, 2024 the company did not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

**n) ADR's / GDR's:**

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the Equity share capital of the Company.

**o) Commodity price risk or foreign exchange risk and hedging activities: Nil**

**p) Registrar and Transfer Agents: (RTA)**

Physical and Demat Share Transfer Agents and Registrars

**Venture Capital and Corporate Investments Private Limited**

Unit: Gayatri Sugars Limited

Regd. Office : "Aurum", D.No. 4-50/P-II/57/4F & 5F, 4th & 5th Floors,

Plot No. 57, Jayabheri Enclave, Phase - II, Gachibowli, Hyderabad - 500032.

Ph: 23818475, 23818476

E-mail : info@vcciplindia.com

**q) Plant Locations:**

**Kamareddy Unit**

Adloor Yellareddy Village,

Sadasivanagar Mandal,

Kamareddy District,

Telangana - 503145

Phone : (08468) 203331

**Nizamsagar Unit**

Maagi Village,

Nizamsagar Mandal,

Kamareddy District,

Telangana - 503302

Phone : (08465) 275577

Fax No : (08465) 275800

**r) Address for correspondence and contact persons for investor queries:**

**Registered Office:**

Gayatri Sugars Limited

B2, 2<sup>nd</sup> Floor, 6-3-1090, TSR Towers,

Rajbhavan Road, Somajiguda,

Hyderabad – 500 082.

**Contact Person:**

Mr. V.R. Prasad, Chief Financial Officer

Phone: 040-23414823

Email: cs.gsl@gayatri.co.in

**s) SEBI Complaints Redress System (SCORES)**

The investor complaints are processed in a centralised web based complaints redressal system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint via scores portal during the Financial Year 2023-24.

**x) Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The disclosure regarding the complaints of sexual harassment is given in the Board's Report.

**xi) Consolidated Fees paid to Statutory Auditors**

During the Financial Year 2023-24, the total fees for all services paid by the Company to MOS & Associates, Statutory Auditors of the Company is as under:

Consolidated fees paid to statutory auditors:

(Rs. in lakhs)

Particulars	Amount
Services as statutory auditors	8.00
<b>Total</b>	<b>8.00</b>

**xii) Reconciliation of Share Capital Audit:**

As stipulated by SEBI, a Reconciliation of Share Capital Audit is carried out by an Independent Practicing Company Secretary on quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialised and physical mode and the status of the register of members.

**B. COMPLIANCE REPORT ON DISCRETIONARY REQUIREMENTS****1. The Board - Chairperson's Office:**

The Chairperson of Gayatri Sugars is a Non-Executive Promoter Director and is not maintaining any office and has not incurred any expenses during the year.

**2. Shareholders Rights:**

We display our quarterly and half yearly/annual results on our website [www.gayatrisugars.com](http://www.gayatrisugars.com) and also publish our results in widely circulated newspapers. We did not send half yearly results to each household of the shareholders in the financial year 2023-24.

**3. Audit Qualifications:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2024 and the qualifications have been addressed in Board's Report.

**4. Reporting of Internal Auditor:**

The Internal Auditor of the company directly reports to the Audit Committee.

**5. CEO and CFO Certification :**

As required by Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the Managing Director and Chief Financial Officer have given appropriate certifications to the Board of Directors.

## 6. Details of Corporate Policies

<b>Particulars</b>	<b>Website Details/link</b>
Composition and Profile of the Board of Directors	<a href="http://www.gayatrisugars.com/BoardofDirectors.html">http://www.gayatrisugars.com/BoardofDirectors.html</a>
Terms and conditions of appointment of Independent Directors	<a href="http://www.gayatrisugars.com/BoardofDirectors.html">http://www.gayatrisugars.com/BoardofDirectors.html</a>
Code of Conduct	<a href="http://www.gayatrisugars.com/pdf/CG/Code_Of_Conduct.pdf">http://www.gayatrisugars.com/pdf/CG/Code_Of_Conduct.pdf</a>
Nomination, Remuneration and Evaluation Policy	<a href="http://www.gayatrisugars.com/pdf/CG/Nomination_RemunerationAndEvaluationPolicy.pdf">http://www.gayatrisugars.com/pdf/CG/Nomination_RemunerationAndEvaluationPolicy.pdf</a>
Familiarization Programme for Independent Directors	<a href="http://www.gayatrisugars.com/pdf/CG/Familiarization_Programme_for_Independent_Directors-New.pdf">http://www.gayatrisugars.com/pdf/CG/Familiarization_Programme_for_Independent_Directors-New.pdf</a>
Code of Practices and Procedures for fair disclosure of UPSI	<a href="http://www.gayatrisugars.com/pdf/CG/Code_of_Practices_and_Procedures_for_fair_disclosure_of_UPSI.pdf">http://www.gayatrisugars.com/pdf/CG/Code_of_Practices_and_Procedures_for_fair_disclosure_of_UPSI.pdf</a>
Policy on Materiality of Related Party Transactions and On Dealings with Related Party Transactions	<a href="http://www.gayatrisugars.com/pdf/CG/Related_Party_Transaction_Policy.pdf">http://www.gayatrisugars.com/pdf/CG/Related_Party_Transaction_Policy.pdf</a>
Policy On Determining Materiality Of Events Policy	<a href="http://www.gayatrisugars.com/pdf/CG/PolicyOn_DeterminigMaterialityOfEventsPolicy.pdf">http://www.gayatrisugars.com/pdf/CG/PolicyOn_DeterminigMaterialityOfEventsPolicy.pdf</a>
Corporate Social Responsibility Policy	<a href="http://www.gayatrisugars.com/pdf/CG/Corporate_Social_Responsibility_Policy.pdf">http://www.gayatrisugars.com/pdf/CG/Corporate_Social_Responsibility_Policy.pdf</a>
Risk Policy and Procedures	<a href="http://www.gayatrisugars.com/pdf/CG/RiskPolicyAndProcedures.pdf">http://www.gayatrisugars.com/pdf/CG/RiskPolicyAndProcedures.pdf</a>
Whistle Blower Policy	<a href="http://www.gayatrisugars.com/pdf/CG/WhistleBlowerPolicy.pdf">http://www.gayatrisugars.com/pdf/CG/WhistleBlowerPolicy.pdf</a>
Archival Policy	<a href="http://www.gayatrisugars.com/pdf/CG/ArchivalPolicy.pdf">http://www.gayatrisugars.com/pdf/CG/ArchivalPolicy.pdf</a>

Place: Hyderabad  
Date : August 07, 2024

sd/-  
**T. Sarita Reddy**  
Managing Director  
DIN : 00017122

sd/-  
**T.V. Sandeep Kumar Reddy**  
Vice Chairman & Director  
DIN : 00005573

**DECLARATION REGARDING COMPLIANCE BY BOARD  
MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE  
COMPANY'S CODE OF CONDUCT**

To  
The Members  
M/s. Gayatri Sugars Limited

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2024.

**For Gayatri Sugars Limited**

Place: Hyderabad  
Date: August 07, 2024

**Sd/-**  
**T. Sarita Reddy**  
Managing Director  
DIN : 00017122

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations).

To  
The Members  
M/s. Gayatri Sugars Limited

This certificate is issued pursuant to clause 10(i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular dated May 9, 2018 of the Securities and Exchange Board of India.

I have examined the compliance of provisions of the aforesaid clause 10(i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our information and according to the explanations given to me by the Company and the declarations made by the Directors, I certify that none of the directors of Gayatri Sugars Limited ('the Company') CIN L15421TG1995PLC020720 having its registered office at B2, 2nd Floor, TSR Towers, Somajiguda, Raj Bhavan Road, Hyderabad - 500082 have been debarred or disqualified as on March 31, 2024 from being appointed or continuing as directors of the Company by SEBI/Ministry of Corporate Affairs or any other statutory authority.

S.No.	Name	DIN	Date of Appointment	Date of Resignation
1.	VENKATA SANDEEP KUMAR REDDY TIKKAVARAPU	00005573	15/06/1995	-
2.	THIKKAVARAPU INDIRA REDDY	00009906	21/07/2005	-
3.	TIKKAVARAPU SARITA REDDY	00017122	21/07/2005	-
4.	RAJAGOPALAN RAMASWAMY TULAZENDRAPURAM	00020643	01/06/2001	-
5.	RAGHURAJ SURESH BHALERAO	07652493	11/11/2016	-
6.	VENKATA NARAYANA RAO PALURI	07378105	11/02/2020	-

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad  
Date: August 07, 2024

Sd/-  
**T. Durga Pallavi**  
Practicing Company Secretary  
Membership No. 23864  
C P No. 19724  
UDIN: A023864F000914875  
Peer Review No. 3876/2023

## **Certificate on Compliance of Corporate Governance**

To  
The Members  
M/s. Gayatri Sugars Limited

I have examined the compliance of the conditions of Corporate Governance by Gayatri Sugars Limited ('the Company') for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In my opinion and to the best of our information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

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

Place: Hyderabad  
Date: August 07, 2024

Sd/-  
**T. Durga Pallavi**  
Practicing Company Secretary  
Membership No. 23864  
C P No. 19724  
UDIN: A023864F000914875  
Peer Review No. 3876/2023



## **MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

To  
The Board of Directors,  
Gayatri Sugars Limited

We, T Sarita Reddy, Managing Director and V R Prasad, Chief Financial Officer of the Company, to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended 31 st March, 2024 and to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered by the Company during the year, which are fraudulent, illegal or violate of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- d. We have indicated, wherever applicable, to the auditors and the Audit Committee:
  - i. that there are no significant changes in the internal control over financial reporting during the year;
  - ii. that there are no Significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Hyderabad  
Date: April 25, 2024

**For Gayatri Sugars Limited**

Sd/-  
**T Sarita Reddy**  
Managing Director  
DIN: 00017122

Sd/-  
**V R Prasad**  
Chief Financial Officer

**ANNEXURE - VI**  
**REPORT ON REMUNERATION TO DIRECTORS AND EMPLOYEES IN TERMS OF RULE 5(1)**  
**OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL**  
**PERSONNEL) RULES 2014**

**a) Managerial Remuneration:**

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sl.	Name of the Director	Remuneration for Financial Year (Rs. In Lakhs)		% increase in Remuneration	Ratio of the Remuneration to the median Remuneration of the employees
		2023-24	2022-23		
	Managing Director/KMP				
1	Mrs. T. Sarita Reddy	60.00	48.00	25	22.57
2	Mr. V. R. Prasad	28.63	25.13	13.93	-
3	Mrs. D S V R Susmitha	6.00	0.50	-	-

(ii) The percentage increase in the median remuneration of employees in the financial year 2023-24 : 3.99%

(iii) The number of permanent employees on the rolls of company March 31, 2024:657

(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

- Average percentile increase in the salaries of the employees other than the managerial personnel in the last financial year is 6.84% and there was increase in the managerial remuneration during the last financial year.

(v) The key parameters for any variable component of remuneration availed by the directors: Nil

(vi) Affirmation that the remuneration is as per the remuneration policy of the company: Yes

(vii) There are no Employees drawing remuneration more than Rs. 1,02,00,000/- per annum if employed throughout the financial year and Rs. 8,50,000/- per month, if employed for the part of the financial year during the year.

b) Top 10 Employees in terms of remuneration drawn during the year:

Sl. No.	Employee Name	Designation 22-23 (in Rs.)	Remuneration	Age	Educational Qualification	Date of Joining	Last Employment held (in years)	Experience
1	V. R. Prasad	C F O	28,63,200	68	M.Com,PG Diploma in BM, CS	09/05/2012	Gayatri Projects Limited	43
2	T. Venugopal Rao	Vice President	22,52,388	63	B.Sc (Agriculture)	23/09/1998	Ponni Sugars Ltd	39
3	B.Sankara Rao	President	22,53,900	53	Diploma CE,AMIE,MBA	16/08/1995	--	30
4	S.Murall Krishna	DG M(PP&A)	18,82,956	44	B. Sc(MPC)	14/07/2008	Matrix Agri Sciences Private Limited	21
5	P. Malakondaiah	General Manager (F&A)	16,23,444	72	M.Com, PG Diploma in FA	18/10/2004	Shree Vaani Sugars Ltd, Punganuru	48
6	D. Veeraju	SR:GM (ENGG)	13,96,220	70	Diploma Mechanical Engineering, BOE	30/08/2013	Prudential Sugars Limited,Puttur	47
7	M. RAJA BABU	GM (ENG G)	13,19,794	69	Diploma Mechanical Engineering,	16/11/2012	NSL Sugars Ltd	44
8	A.V.Subba Reddy	GM (Process)	12,28,664	66	Diploma in Sugar Technology	01/08/1997	Sri Vani Sugars Ltd	42
9	V Vengal Reddy	GM (Cane)	12,29,312	61	B.Sc	09/06/2016	Rayalaseema Sugar Energy Private Limited	37
10	V Umamaheswar Rao	GM (Process)	11,31,420	58	B.Sc, Diploma in Sugar Technology	01/11/1993	Sankar SSK Limited	36

\*None of the employees mentioned above is a relative of any Director of the Company or Manager of the Company.

For and on behalf of the Board of Directors

sd/-  
**(T. SARITA REDDY)**  
Managing Director  
DIN: 00017122

sd/-  
**(T.V. SANDEEP KUMAR REDDY)**  
Vice Chairman & Director  
DIN: 00005573

Place: Hyderabad  
Date : August 07, 2024

## INDEPENDENT AUDITORS' REPORT

To the Members of Gayatri Sugars Limited

Report on the Audit of the Financial Statements

### Qualified Opinion

We have audited the Financial Statements of Gayatri Sugars Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the Basis for Qualified Opinion section of our report below, the aforesaid 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 Indian Accounting Standards 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 2024, and the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

As stated in note 28.16 to the accompanying Financial Statements, regarding the High Court dismissing the writ petition filed by the Company challenging the levy of electricity duty by the State Government on the consumption of electricity by captive generating units, the subsequent dismissal of special leave petition by the Honorable Supreme Court and the pending matter before the Board for Industrial and Financial Reconstruction being abated. As stated in the said note, the Company has treated the estimated duty amount aggregating to Rs. 283.99 Lakhs as a contingent liability and no provision has been made in respect of the same.

In view of the above, we are unable to comment on the ultimate outcome of the matter and the consequential impact if any on these Financial Statements.

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 SAs 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Financial Statements.

### Emphasis of Matters

(Note Nos. referred hereunder are with reference to respective Notes forming part of the Financial Statements)

We draw attention to the following matters :

- i) As stated in Note No. 28.14, the petition filed by IFCI Limited before Debt Recovery Tribunal (DRT) for recovery of Sugar Development Fund (SDF) dues, is pending for disposal/ withdrawal for detailed reasons stated in the said note.

Our Opinion is not modified in respect of the above matter.

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### 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 for the year ended 31st March, 2024. 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 key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Audit Process
1.	<p><b>Going Concern</b></p> <p>Refer to note 28.15 (B) to these Financial Statements.</p> <p>Historically, the Company has been loss-making and has been dependent on the continuous support of the promoters.</p> <p>Accumulated losses shown in the Balance Sheet totalled Rs. 16,388.67 Lakhs as at 31st March, 2024.</p> <p>We included the going concern assumption as a key audit matter as it relies on existing cash inflows and revenue growth generating sufficient cashflows to cover necessary expenditures.</p>	<p>In assessing the appropriateness of the going concern assumption used in preparing the financial statements, our procedures included, amongst others:</p> <p>Assessing the cash flow requirements of the Company over 12 months from 31st March, 2024 based on estimated budgets and forecasts.</p> <p>Understanding what forecast expenditure is committed and what could be considered discretionary.</p> <p>Considering the liquidity of existing assets on the balance sheet date.</p> <p>Considering the terms of the loans and trade finance facilities and the amount available for drawdown.</p> <p>Considering potential downside scenarios and the resultant impact on available funds.</p>

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis, Boards Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance, and Shareholder's Information, but does not include the 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.

### Responsibilities of Management and those Charged with Governance for the 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 Financial Statements that

give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors 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 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 Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 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 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.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and except for the possible effects of the matter described in the Basis of Qualified Opinion Paragraph Above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) Except for the possible effects of the matter described in the Basis of Qualified Opinion Paragraph above, 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) Except for the possible effects of the matter described in the Basis of Qualified Opinion Paragraph above, the Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, the Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) Except for the possible effects of the matter described in the Basis of Qualified Opinion Paragraph above, in our opinion, the aforesaid Financial Statements comply with Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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) 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. As stated in Note No. 28.2 of the Financial Statements, the Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- 3) The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **M O S & Associates LLP**  
Chartered Accountants  
Firm's Registration No.001975S/S200020

Sd/-  
**Oommen Mani**  
Partner  
Membership No. 234119  
UDIN: 24234119BKALFD5521

Place : Hyderabad  
Date : 25th April, 2024



## **ANNEXURE "A" TO THE AUDITORS' REPORT**

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended 31st March 2024, we report that:

- (i) In respect of Property Plant and Equipment and Intangible Assets:
  - a. (A) In our opinion and as per the information and explanations given to us, the Company has maintained proper records showing particulars, including quantitative details and the situation of Property, Plant, and Equipment;  
(B) In our opinion and as per the information and explanations given to us, the company is maintaining proper records showing full particulars of intangible assets.
  - b. The management of the company has verified the Property, Plant and Equipment at reasonable intervals during the year. According to the information and explanations given to us, no material discrepancies were noticed in such physical verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.
  - d. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year;
  - e. In our opinion and as per the information and explanations given to us, 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;
- (ii) In respect of inventories
  - a. According to the information and explanations given to us, the inventories have been physically verified during the year by the management. In our opinion, the coverage and procedure of such verification by the management are appropriate. The discrepancies noticed on the physical verification of inventories as compared to the book records, which in our opinion were not material, have been properly dealt with.
  - b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores from the banks on the basis of security of current assets; the quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company as stated in Note no. 11.7.
- (iii) According to the information and explanation given to us, during the year the Company has not made investments in, provided guarantee or security, or granted loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership or any other parties. Accordingly, the provisions of clauses (iii)(a), (iii)(b), and (iii)(c) of the order are not applicable.
- (iv) According to information and explanations given to us and in our opinion, The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Accordingly, the provisions of clause (v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central

Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues

- a. According to the information and explanations given to us, and based on our examination of records of the Company, amounts deducted/ accrued in the books of accounts in respect of statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable have been regularly deposited during the year by the Company with appropriate statutory authorities though there has been a slight delay in a few cases. According to the information and explanations are given to us, there were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.
- b. According to the information and explanation given to us, Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2024 on account of disputes are given below:

( ₹ in lakhs)

Name of the Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	The amount involved
Central Excise Act, 1944	Excise Duty (excluding interest and penalty)	Customs Excise and Service Tax Appellate Tribunal	Various periods covering the period 2008 to 2013	80.28
Andhra Pradesh Tax on Entry of Goods into Local Areas Act, 2001	Entry Tax	Hon'ble High Court for the State of Telangana	Various periods Act, 2001 covering the period 2011 to 2017	14.17

(viii) According to information and explanations given to us, and based on our examination of records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

- (ix) a. According to the information and explanations given to us and on the basis of our audit procedures, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, or Government as on the Balance Sheet date.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared a Wilful Defaulter by any bank or financial institution or government or any government authority.
- c. According to the information and explanations given to us, to the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

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- d. According to the information and explanations given to us, the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on a short-term basis have been used for long-term purposes by the company.
- e. In our opinion and according to the information and explanations given to us and the procedures performed by us, we report that the Company did not have any subsidiaries, associates, or joint ventures during the year. Accordingly, the provisions of clauses (ix)(e) of the order are not applicable.
- f. In our opinion and according to the information and explanations given to us and the procedures performed by us, we report that the Company did not have any subsidiaries, associates, or joint ventures during the year. Accordingly, the provisions of clauses (ix)(f) of the order are not applicable.
- x. a. According to information and explanations given to us, The Company has not raised any money by way of an initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause (x)(a) of the Order is not applicable to the Company.
- b. During the year the Company has made preferential allotment of shares. According to the information and explanations given to us, the preferential allotment of equity shares are in compliance with the provisions of section 42 and section 62 of the Act and the rules framed thereunder with respect to the same. Further, the amounts so raised were used for the purpose of which they were raised and unutilized balance is available in the separate bank account designated as "GSL-Preferential Issue Account". During the year the company did not make preferential allotment or private placement of fully or partially or optionally convertible debentures.
- (xi) a. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations are given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the management.
- b. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause (xi)(b) of the Order is not applicable to the Company.
- c. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, there are no whistle-blower complaints received by the company during the year, accordingly, the reporting under clause (xi)(c) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it and hence reporting under clause(xii) of Order is not applicable
- (xiii) According to the information and explanations given to us and based on examination of records of the Company, transactions with related parties are in compliance of Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

- (xiv) a. In our opinion and according to the information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports for the year under audit, issued to the company, in determining the nature, timing, and extent of our audit procedures.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Act under Clause (xv) of the Order is not applicable to the Company.
- (xvi) a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Clause (xvi)(a) of the Order are not applicable to the Company.
- b. The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause (xvi)(b) of the Order is not applicable to the Company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India, and accordingly reporting under clause (xvi)(c) of the Order is not applicable.
- d. Based on the information and explanations provided by the management of the Company, the group don't any Core Investment Company (CIC) and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the current Financial Year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, the reporting under Clause (xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us 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 standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions read with note 28.5(iv) and 28.15 (B) we state that there is no material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) According to the information and explanations given to us, the company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- (xxi) The reporting under Clause (xxi) of the Order is not applicable in respect of the audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **M O S & Associates LLP**  
Chartered Accountants  
Firm's Registration No.001975S/S200020

Sd/-  
**Oommen Mani**  
Partner  
Membership No. 234119  
UDIN: 24234119BKALFD5521

Place : Hyderabad  
Date : 25th April, 2024

## **ANNEXURE "B" TO THE AUDITOR'S REPORT**

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

#### **Qualified Opinion**

We have audited the internal financial controls over financial reporting of Gayatri Sugars Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weaknesses described in Basis for Qualified Opinion paragraph below on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended 31st March, 2024, and these material weaknesses did not affect our opinion on the said financial statements of the Company, except in respect of the qualification relating to the Management's assessment of estimating potential liability relating to a disputed matter, in respect of which, we have issued a qualified opinion on the financial statements of the Company.

#### **Basis for Qualified Opinion**

According to the information and explanations given to us and based on our audit, material weakness have been identified as at March 2024 relating to Managements assessment of estimating potential liability relating to a disputed matter as described in note no. 28.16 to the Financial Statements. A "material weakness" is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies

Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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.

For **M O S & Associates LLP**  
Chartered Accountants  
Firm's Registration No.001975S/S200020

Sd/-  
**Oommen Mani**  
Partner  
Membership No. 234119  
UDIN: 24234119BKALFD5521

Place : Hyderabad  
Date : 25th April, 2024

**BALANCE SHEET AS AT 31st MARCH, 2024**

Particulars	Note No.	As at 31st March, 2024 ₹ in lakhs	As at 31st March, 2023 ₹ in lakhs
<b>ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Property, plant and equipment	2	9,172.67	9,421.96
(b) Capital work in progress	2	26.44	1.16
(c) Intangible assets	2	-	-
(d) Financial Asset			
(i) Other Financial Assets	3	132.96	106.53
(e) Other non-current assets	4	796.35	506.50
<b>Total Non-Current Assets</b>		<b>10,128.42</b>	<b>10,036.15</b>
<b>(2) Current assets</b>			
(a) Inventories	5	5,038.90	7,297.82
(b) Financial Asset			
(i) Trade receivables	6	1,659.26	1,407.50
(ii) Cash and cash equivalents	7	99.51	61.69
(c) Other current assets	8	2,072.63	905.34
<b>Total current assets</b>		<b>8,870.30</b>	<b>9,672.35</b>
<b>TOTAL ASSETS</b>		<b>18,998.72</b>	<b>19,708.50</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(3) Equity</b>			
(a) Share capital	9	6,479.71	4,370.05
(b) Other equity	10	(15,668.14)	(16,789.20)
<b>Total equity</b>		<b>(9,188.43)</b>	<b>(12,419.15)</b>
<b>Liabilities</b>			
<b>(4) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	11	9,537.47	9,225.94
(ii) Other financial liabilities	12	458.05	470.70
(b) Other non-current liabilities	13	2,795.00	-
(c) Provisions	14	696.35	665.99
<b>Total non-current liabilities</b>		<b>13,486.87</b>	<b>10,362.63</b>
<b>(5) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	3,605.49	5,959.62
(ii) Trade payables			
(A) total outstanding dues of micro-enterprises and small enterprises; and	16	95.53	-
(B) total outstanding dues of creditors other than micro-enterprises and small enterprises.		7,134.11	10,840.64
(iii) Other financial liabilities	17	2092.12	-
(b) Other current liabilities	18	1,592.64	4,821.30
(c) Provisions	19	180.39	143.46
<b>Total current liabilities</b>		<b>14,700.28</b>	<b>21,765.02</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,998.72</b>	<b>19,708.50</b>
Corporate information and Significant accounting policies	1		
Other notes forming part of the Financial Statements	28		

As per our report attached

**For M O S & Associates LLP**

Chartered Accountants

Sd/-

**Oommen Mani**

Partner

Membership No. 234119

Place : Hyderabad

Date : 25th April, 2024

**For and on behalf of the Board of Directors**

Sd/-

**T. Sarita Reddy**

Managing Director

DIN No : 00017122

Sd/-

**V.R. Prasad**

Chief Financial Officer

Sd/-

**T.V. Sandeep Kumar Reddy**

Vice Chairman & Director

DIN No : 00005573

Sd/-

**D.S.V.R. Susmitha**

Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024**

Particulars	Note No.	For the Year Ended 31st March, 2024 ₹ in lakhs	For the Year Ended 31st March, 2023 ₹ in lakhs
<b>I Revenue from operations</b>	<b>20</b>	<b>37,711.06</b>	38,831.38
<b>II Other income</b>	<b>21</b>	<b>49.48</b>	54.98
<b>III Total revenue (I+II)</b>		<b>37,760.54</b>	<b>38,886.36</b>
<b>IV Expenses</b>			
(a) Cost of materials consumed	22	23,921.60	28,669.33
(b) Purchases of Stock-in-Trade	23	892.88	286.27
(c) Changes in inventories of finished goods, stock in trade & work-in-progress	24	2,278.75	(1,079.42)
(d) Employee benefits expense	25	2,361.17	2,209.33
(e) Finance costs	26	2,430.43	2,388.64
(f) Depreciation and amortisation expense	2	666.75	797.18
(g) Other expenses	27	4,505.02	4,768.34
<b>Total expenses (IV)</b>		<b>37,056.60</b>	<b>38,039.67</b>
<b>V Profit/(Loss) before Exceptional items and Tax (III-IV)</b>		<b>703.94</b>	846.69
<b>VI Exceptional items</b>		—	2,585.50
<b>VII Profit / (Loss) before tax (V-VI)</b>		<b>703.94</b>	<b>3,432.19</b>
<b>VIII Tax expense</b>		—	—
<b>IX Profit / (Loss) for the year (VII-VIII)</b>		<b>703.94</b>	<b>3,432.19</b>
<b>X Other Comprehensive Income (OCI)</b>			
Items that will not be reclassified to profit or loss :			
i) Re-measurement gains/(losses) on actuarial valuation of Post Employment defined benefits		(43.23)	30.90
ii) Income tax relating to Items that will not be reclassified to profit or loss		—	—
<b>Total Other Comprehensive Income (X)</b>		<b>(43.23)</b>	<b>30.90</b>
<b>XI Total Comprehensive Income for the Year (IX+X)</b>		<b>660.71</b>	<b>3,463.09</b>
<b>XII Earnings per equity share (of ₹ 10/- each)</b>			
Basic (₹)	28.9A	0.93	7.85
Diluted (₹)	28.9B	0.57	4.05
Corporate information and Significant accounting policies	1		
Other notes forming part of the Financial Statements	28		

As per our report attached

**For M O S & Associates LLP**

Chartered Accountants

**Sd/-**

**Oommen Mani**

Partner

Membership No. 234119

Place : Hyderabad

Date : 25th April, 2024

**For and on behalf of the Board of Directors**

**Sd/-**

**T. Sarita Reddy**

Managing Director

DIN No : 00017122

**Sd/-**

**V.R. Prasad**

Chief Financial Officer

**Sd/-**

**T.V. Sandeep Kumar Reddy**

Vice Chairman & Director

DIN No : 00005573

**Sd/-**

**D.S.V.R. Susmitha**

Company Secretary



## Twenty Ninth Annual Report

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024

Particulars	For the Year Ended 31st March, 2024 ₹ in lakhs	For the Year Ended 31st March, 2023 ₹ in lakhs
<b>Cash flow from operating activities:</b>		
Profit before tax	703.94	3,432.19
Adjustments for:		
Depreciation and amortization expenses	666.75	797.18
Finance costs	2,430.43	2,388.64
Exceptional Item	—	(2,585.50)
Interest income	(2.06)	(1.53)
<b>Operating profit before working capital changes</b>	<b>3,799.06</b>	<b>4,030.98</b>
Adjustments for:		
(Increase) / Decrease in Trade Receivables	(251.76)	2,485.74
(Increase) / Decrease in non-current financial asset	(26.43)	(7.48)
(Increase) / Decrease in non-current asset	(289.85)	(506.50)
(Increase) / Decrease in Other current assets	(1,166.62)	414.77
(Increase) / Decrease in Inventory	2,258.92	(1,184.95)
Increase / (Decrease) in non-current financial liabilities	—	38.52
Increase / (Decrease) in current financial liabilities	2,053.60	(2,076.96)
Increase / (Decrease) in other non current liabilities	2,795.00	
Increase / (Decrease) in other current liabilities	(3,228.66)	2,452.38
Increase / (Decrease) in provisions	24.06	26.20
Increase / (Decrease) in Trade Payables	(3,611.00)	(1,333.11)
<b>Cash generated from operations</b>	<b>2,356.32</b>	<b>4,339.59</b>
Direct tax paid (net of refunds)	—	—
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>2,356.32</b>	<b>4,339.59</b>
<b>Cash flow from investing activities</b>		
Capital expenditure on fixed assets	(442.74)	(1,258.71)
(Investment)/withdraw in Fixed Deposits		197.59
Interest received	1.39	4.66
<b>Net cash used in investing activities (B)</b>	<b>(441.35)</b>	<b>(1,056.46)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of Equity Shares/Share Warrants (Net)	1,632.24	—
Proceeds/(Repayment) of long-term borrowings (Net)	1,973.23	(306.60)
Proceeds/(Repayment) from short-term borrowings	(3,360.89)	(227.72)
Interest and other borrowing cost paid	(2,121.73)	(2,723.07)
<b>Net cash (used in)/ flow from financing activities (C)</b>	<b>(1,877.14)</b>	<b>(3,257.39)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>37.82</b>	<b>25.74</b>
Cash and Cash equivalents at the beginning of the year	61.69	35.95
Cash and Cash equivalents as at the end of year	<b>99.51</b>	<b>61.69</b>

**Note:**

Figures in brackets represent cash outflows.  
See accompanying notes forming part of the financial statements.

As per our report attached

**For M O S & Associates LLP**

Chartered Accountants

Sd/-

**Oommen Mani**

Partner

Membership No. 234119

Place : Hyderabad

Date : 25th April, 2024

**For and on behalf of the Board of Directors**

Sd/-

**T. Sarita Reddy**

Managing Director

DIN No : 00017122

Sd/-

**V.R. Prasad**

Chief Financial Officer

Sd/-

**T.V. Sandeep Kumar Reddy**

Vice Chairman & Director

DIN No : 00005573

Sd/-

**D.S.V.R. Susmitha**

Company Secretary

## Annexure – I

Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year Ended 31st March 2024

(See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016

₹ in Lakhs

I	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	37,760.54	37,760.54
	2	Total Expenditure	37,056.60	37,226.60
	3	Net Profit/(Loss)#	703.94	533.94
	4	Earnings Per Share Basic (₹) Diluted (₹)	0.93 0.71	0.57 0.44
	5	Total Assets	18,998.72	18,998.72
	6	Total Liabilities	28,187.15	28,357.15
	7	Net Worth	-9,188.43	-9,358.43
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
<p><b>impact (as quantified by Management) of qualification considered in Total Expenditure as an exceptional item</b> #Net profit after exceptional items.</p>				
II	<p><b>Audit Qualification:</b></p> <p><b>a. Details of Audit Qualification:</b></p> <p>i) As stated in note 3 to the accompanying Audited Financial Results, regarding the High Court dismissing the writ petition filed by the Company challenging the levy of electricity duty by the State Government on the consumption of electricity by captive generating units, the subsequent dismissal of special leave petition by the Honorable Supreme Court and the pending matter before the Board for Industrial and Financial Reconstruction being abated. As stated in the said note, the Company has treated the estimated duty amount aggregating to Rs. 283.99 Lakhs as a contingent liability and no provision has been made in respect of the same.</p> <p>In view of the above, we are unable to comment on the ultimate outcome of the matter and the consequential impact if any on these Audited Financial Results.</p> <p>b. Type of Audit Qualification: <del>Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion:</del></p> <p>c. Frequency of Qualification: <del>Whether appeared first time/</del>Repetitive/ Since how long continuing: Appearing since the Annual Audited Results of FY 2016-17</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: -Not Applicable-</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: Refer Note 3 of the Financial Results: Impact of Qualification - ₹ 170 Lakhs debit to the Statement of Profit and Loss for the year ended 31st March 2024 which is to be disclosed as an Exceptional Item (Refer Note below). Accordingly, the liabilities as at 31st March 2024 will increase and the net worth as at 31st March 2024 shall reduce by the corresponding amount.</p>			

## Twenty Ninth Annual Report

**Note:**

In the event of an unfavorable verdict in this matter, the Management based on the Supreme Court's interim orders and considering the inherent uncertainty in predicting the final outcome of the above litigation, estimates the impact of the potential liability to be ₹ 170 Lakhs.

(ii) If management is unable to estimate the impact, reasons for the same:

- Not Applicable-

(iii) Auditors' Comments on (i) or (ii) above:

No further comments

**III. Signatories:**

Managing Director

Sd/-

CFO

Sd/-

Audit Committee Chairman

Sd/-

Statutory Auditor

Sd/-

Place : Hyderabad

Date: 25th April, 2024

**GAYATRI SUGARS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024**

A. Equity Share Capital	No. of shares	(₹ in Lakhs)	
<b>Balance as at April 1, 2022</b>	<b>43,703,643</b>	4,370.05	
Changes in equity share capital due to	—		
Restated balance as at April 1, 2022	<b>43,703,643</b>	4,370.05	
Changes in equity share capital during	—		
<b>Balance as at March 31, 2023</b>	<b>43,703,643</b>	4,370.05	
<b>Balance as at April 1, 2023</b>	<b>43,703,643</b>	4,370.05	
Changes in equity share capital due to	—		
Restated balance as at April 1, 2023	<b>43,703,643</b>	4,370.05	
Changes in equity share capital during	<b>21,096,662</b>	2,109.66	
<b>Balance as at March 31, 2024</b>	<b>64,800,305</b>	6,479.71	

B. Other Equity	(₹ in Lakhs)						
Particulars	Money received against share warrants	Reserves and surplus		Equity	Other	Money	Total Other
		Securities Premium Account	Retained earnings				
<b>As at April 1, 2022</b>	-	215.84	(20,524.80)	-	(284.17)	-	(20,593.13)
Changes in accounting policy /prior period errors	-	-	-	-	-	-	-
<b>Restated balance as at April 1, 2022</b>	-	215.84	(20,524.80)	-	(284.17)	-	(20,593.13)
Surplus / (Deficit) for the year	-	-	3,432.19	-	-	-	3,432.19
Add: Changes during the year	-	-	-	340.84	-	-	340.84
Other comprehensive income	-	-	-	-	30.90	-	30.90
<b>As at March 31, 2023</b>	-	215.84	(17,092.61)	340.84	(253.27)	-	(16,789.20)
<b>As at April 1, 2023</b>	-	215.84	(17,092.61)	340.84	(253.27)	-	(16,789.20)
Changes in accounting policy /prior period errors	-	-	-	-	-	-	-
<b>Restated balance as at April 1, 2023</b>	-	215.84	(17,092.61)	340.84	(253.27)	-	(16,789.20)
Surplus / (Deficit) for the year	-	-	703.94	-	-	-	703.94
Add: Changes/issued during the year	1,049.67	(8.06)	-	(154.17)	-	-	887.44
Add: Subscription amount towards share warrants	-	-	-	-	-	845.00	845.00
Less: Issue of equity shares	(1,009.67)	-	-	-	-	(262.42)	(1,272.09)
Other comprehensive income	-	-	-	-	(43.23)	-	(43.23)
<b>As at March 31, 2024</b>	<b>40.00</b>	<b>207.78</b>	<b>(16,388.67)</b>	<b>186.67</b>	<b>(296.50)</b>	<b>582.58</b>	<b>(15,668.14)</b>

As per our report attached  
**For M O S & Associates LLP**  
Chartered Accountants

**Sd/-**  
**Oommen Mani**  
Partner  
Membership No. 234119

Place : Hyderabad  
Date : 25th April, 2024

**For and on behalf of the Board of Directors**

**Sd/-**  
**T. Sarita Reddy**  
Managing Director  
DIN No : 00017122

**Sd/-**  
**V.R. Prasad**  
Chief Financial Officer

**Sd/-**  
**T.V. Sandeep Kumar Reddy**  
Vice Chairman & Director  
DIN No : 00005573

**Sd/-**  
**D.S.V.R. Susmitha**  
Company Secretary

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

### **CORPORATE INFORMATION:**

Gayatri Sugars Limited was established in the year 1995 and its registered office is located at B2, 2nd Floor, 6-3-1090, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad – 500 082. The company is registered with Bombay Stock Exchange (BSE).

The Company is into manufacture of sugar and allied products and it also operates a power generation unit, the output of which is captively used and also exported to the grid. The Company's products include sugar, distillery products like Ethanol, Impure spirit and by-products like Molasses and Bagasse.

#### **1. Significant Accounting Policies:**

##### **1.1. Compliance with Indian Accounting Standards (Ind AS)**

The Company's Financial statements have been prepared to comply with generally accepted accounting principles in accordance with the Indian Accounting Standards (herein after referred to as "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 ("the Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendments rules 2016.

##### **1.2. Basis of Preparation and Presentation of Financial Statements**

The Financial statements are prepared on accrual basis following the historical cost convention except in case of certain financial instruments which are measured at fair values. The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed under Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Indian Accounting Standard (Ind AS) - 7 on "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with other notes required to be disclosed under the notified Ind AS and the Listing Agreement. Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations viz. SEBI guidelines override the same requiring a different treatment. 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 used previously.

Fair value for measurement adopted in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, Net Realizable value as per Ind AS 2 or value in use in Ind AS 36. Fair value measurements under Ind AS are categorized as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or Liability.

### **1.3. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statements. Actual results may differ from these estimates. The Company evaluates these estimations and assumptions on a continuous basis based on the historical experience and other factors including expectation of future events believed to be reasonable. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/ advances, future obligations in respect of retirement benefit plans, estimation of costs as a proportion to the total costs, etc., Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, are disclosed in the Notes to Account.

### **1.4 Inventories**

- (a) Raw materials, Stock-in-trade, Stores and Spares and Consumables are valued at lower of cost or net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First-in-First out basis and Cost includes applicable taxes, duties, transport and handling costs.
- (b) Finished goods are valued at lower of cost or net realizable value. Cost is average cost and includes all material costs, direct and indirect expenditure.
- (c) Work-in-progress is valued at lower of cost up to estimated stage of process and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.
- (d) By-products are valued at estimated net realisable value as the cost is not ascertainable.

### **1.5 Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, whereby the profit before extraordinary items and tax is adjusted for the effects of:

- i. transactions of a non-cash nature; and
- ii. any deferrals or accruals of past or future operating cash receipts or payments.

Items of income or expense associated from investing or financing cash flows of the company are segregated based on the available information.

Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows.

Cash and cash equivalents, comprise cash on hand, balances in current, Cheque-on-hand pending to be presented in Bank and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **1.6 Depreciation and amortization**

In respect of Property, Plant and Equipment (other than Land and Capital Work in Progress) depreciation is charged on a straight-line basis over the useful lives as specified in Schedule II to the Companies Act 2013.

Software is amortised over a period of 3 years.

Individual assets costing less than ` 5,000/- are fully depreciated in the year of acquisition.

The Company has elected to consider the carrying values for all property, plant and equipment as deemed cost at the date of the transition i.e on 01st April, 2016.

### **1.7 Revenue Recognition :**

1 Revenue from Operations

(a) Sale of products

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of trade discounts, sales returns, Goods and Service Tax but inclusive of excise duty.

(b) Sale of power

Revenue from sale of power is recognised when the units generated are transmitted to the pooling station, in accordance with the terms and conditions of the power purchase agreement entered into by the Company with the purchasing party.

1 Other income

(i) Interest Income is recognised on a time proportionate method using underlying Effective interest rates.

ii) Insurance and other claims/refunds are accounted for as and when admitted by appropriate authorities.

iii) Harvesting income is recognized when the sugar cane growers have utilized the harvesting machinery in the respective fields and the sugar cane is been supplied to the factory.

### **1.8 Functional and presentation currency and Foreign Currency Transactions:**

(a) The reporting currency of the company is Indian Rupee. Foreign Currency Transactions are translated at the functional currency spot rates prevailing on the date of transactions. Initial recognition.

(b) Monetary assets and current liabilities related to foreign currency transactions remaining unsettled are translated at the functional currency spot rates prevailing on the balance sheet date. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss.

(c) Non-monetary foreign currency items are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

### **1.9. Property, Plant and Equipment:**

(a) Tangible and Intangible:

Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation thereon. Expenditure which are capital in nature are capitalized at cost,

which comprise of purchase price (net of rebates and discounts), import duties, levies, financing costs and all other expenditure directly attributable to bringing the asset to its working condition for its intended use. Freehold land is not depreciated.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(b) Capital Work in Progress :

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

**1.10 Employee Benefits**

Liability for employee benefits, both short and long term, for present and past service which are due as per the terms of employment are recorded in accordance with Indian Accounting Standard 19 "Employee Benefits" issued by the Companies (Accounting Standard) Rules, 2015. Re-measurement gains /losses on post-employment defined benefits comprising gains/ losses is reflected immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which it arises.

Defined benefit costs are categorized as follows:

- 1 Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- 1 net interest expense or income; and
- 1 Re-measurement

The company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

Past service cost is recognised in profit or loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.



(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

(b) Provident Fund

In accordance with applicable local laws, eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan to which both the employee and employer contributes monthly at a determined rate (currently up to 12% of an employee's salary). These contributions are either made to the respective Regional Provident Fund Commissioner, or the Central Provident Fund under the State Pension Scheme, and are recognized as expenses incurred.

(c) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

**1.11 Borrowing Cost**

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

**1.12 Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. There are no leases entered by the company.

**1.13 Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.

- 1 Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.
- 1 Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.
- 1 Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

#### **1.14 Earnings Per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. The basic earnings per share ("EPS") are calculated by dividing the profit / (loss) after tax by the weighted average number of Equity Shares outstanding. Diluted earnings per share is computed by dividing net profits for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive. Dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date.

#### **1.15 Taxes on Income**

(a) Current Tax

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and provisions of Income Tax Act, 1961 as at the balance sheet date and any adjustments to taxes in respect of the previous years, penalties if any related to income tax are included in the current tax expense.

(b) Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

(c) Deferred Tax

Deferred Tax is the tax expected to be payable or recoverable on differences between the carrying amount of the assets and liabilities for financial reporting purpose and the corresponding tax bases used in computation of taxable profit. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

Current and deferred tax is recognized in profit or loss, except to the extent that it related to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

### **1.16 Impairment of Non-Financial Assets**

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

#### **Recoverable amount is determined:**

- In case of an individual asset, at the higher of the Assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.
- In assessing Value in Use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified with the asset. In determining fair value less cost to sell, recent market transactions are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through the Statement of Profit and Loss.

### **1.17 Financial Instruments**

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities (other than Financial Assets and Financial Liabilities at fair value through profit or loss) are added to or deducted from the fair value of the Financial Assets or Financial Liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### **1.18 Financial Assets**

Financial Asset is any Asset that is -

- (a) Cash
- (b) Equity Instrument of another Entity,
- (c) Contractual right to -
  - i. receive Cash / another Financial Asset from another Entity, or

- ii. exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
  - i. a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - ii. a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

### **Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

### **Financial Liabilities**

Financial liabilities are recognized at fair value net of transaction costs and are subsequently held at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit and loss are measured at fair value with changes in fair value recognized in the profit and loss account. Interest bearing bank loans are initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

### **De-recognition of Financial Instruments**

A Financial Asset is derecognized when the rights to receive cash flows from the asset have expired or the company has transferred substantially all the risks and rewards or the right to receive the cash flows under a contractual arrangement or has transferred the asset.

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. In the case where the existing liability is replaced by another liability

either from the same lender or otherwise such an exchange is treated as de-recognition of the original liability and recognition of a new liability. Any change in the carrying amount of a liability is recognized in the Statement of Profit and Loss.

### **1.19 Provisions and Contingencies**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation in respect of which reliable estimate can be made as on the balance sheet date. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liabilities are present obligations arising from a past event, when it is not probable / probability is remote that an outflow of resources will be required to settle the obligation and they are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements except where it has become virtually certain that an inflow of economic benefit will arise, the asset and the related income are recognized in financial statements of the period in which the change occurs Provisions for Contingent Liabilities and Contingent Assets are reviewed at the end of Balance Sheet date.

### **1.20 Operating cycle**

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

### **1.21 Exceptional items**

Items of income and expenditure within profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as Exceptional Items.

### **1.22 Commitments**

- (a) Commitments are future liabilities for contractual expenditure.
- (b) Commitments are classified and disclosed as follows:
  - Estimated amount of contracts remaining to be executed on capital account and not provided for;
  - Uncalled liability on shares and other investments partly paid;
  - Funding related commitment to subsidiary, associate and joint venture companies and
  - Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.
- (c) Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**2. Property, Plant and Equipment, Capital Work In Progress and Intangible Assets**

(₹ in lakhs)

Particulars	Property, Plant and Equipment				Intangible Assets			Capital work In Progress	
	Free hold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Computers	Total (A)		Total (B)
<b>As at 31st March, 2024</b>									
Cost as at 1st April 2023	445.53	3,698.58	25,086.27	20.66	142.57	98.73	29,492.34	2.07	29,494.41
Additions	-	-	404.61	-	12.85	-	417.46	-	417.46
Deletions/Capitalised	-	-	-	-	-	-	-	-	-
<b>Cost as at 31st March 2024</b>	<b>445.53</b>	<b>3,698.58</b>	<b>25,490.88</b>	<b>20.66</b>	<b>155.42</b>	<b>98.73</b>	<b>29,909.80</b>	<b>2.07</b>	<b>29,911.87</b>
Accumulated depreciation as at 1st April 2023	-	2,315.69	17,547.77	20.56	93.16	93.20	20,070.38	2.07	20,072.45
Eliminated on disposals/adjustments	-	-	-	-	-	-	-	-	-
Depreciation expense	-	100.59	558.58	-	5.89	1.69	666.75	-	666.75
<b>Accumulated depreciation as at 31st March 2024</b>	<b>-</b>	<b>2,416.28</b>	<b>18,106.35</b>	<b>20.56</b>	<b>99.05</b>	<b>94.89</b>	<b>20,737.13</b>	<b>2.07</b>	<b>20,739.20</b>
<b>Net carrying Value as at 31st March 2024</b>	<b>445.53</b>	<b>1,282.30</b>	<b>7,384.53</b>	<b>0.10</b>	<b>56.37</b>	<b>3.84</b>	<b>9,172.67</b>	<b>-</b>	<b>9,172.67</b>
<b>As at 31st March, 2023</b>									
Cost as at 1st April 2022	402.16	3,672.99	23,940.79	20.66	102.38	95.81	28,234.79	2.07	28,236.86
Additions	43.37	25.59	1,145.48	-	40.19	2.92	1,257.55	-	1,257.55
Deletions/Capitalised	-	-	-	-	-	-	-	-	-
<b>Cost as at 31st March 2023</b>	<b>445.53</b>	<b>3,698.58</b>	<b>25,086.27</b>	<b>20.66</b>	<b>142.57</b>	<b>98.73</b>	<b>29,492.34</b>	<b>2.07</b>	<b>29,494.41</b>
Accumulated depreciation as at 1st April 2022	-	2,205.40	16,864.75	20.56	90.66	91.94	19,273.31	1.96	19,275.27
Eliminated on disposals	-	-	-	-	-	-	-	0.11	0.11
Depreciation expense	-	110.29	683.02	-	2.50	1.26	797.07	-	797.07
<b>Accumulated depreciation as at 31st March 2023</b>	<b>-</b>	<b>2,315.69</b>	<b>17,547.77</b>	<b>20.56</b>	<b>93.16</b>	<b>93.20</b>	<b>20,070.38</b>	<b>2.07</b>	<b>20,072.45</b>
<b>Net carrying Value as at 31st March 2023</b>	<b>445.53</b>	<b>1,382.89</b>	<b>7,538.50</b>	<b>0.10</b>	<b>49.41</b>	<b>5.53</b>	<b>9,421.96</b>	<b>-</b>	<b>9,421.96</b>

2(C)(i) Ageing of capital work-in-progress is as below

Particulars	As at March 31, 2024			As at March 31, 2023		
	Amount in Capital work in progress for period of Less than 1 Year	1-2 Years	More Than 2 Years	Amount in Capital work in progress for period of Less than 1 Year	1-2 Years	More Than 2 Years
Work in Progress	26.44	-	-	-	-	-
Total	26.44	-	-	1.16	-	-
				1.16	-	-

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### Financial Assets

(₹ in lakhs)

#### 3 Other financial assets - Non Current Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
a. Security Deposits - Considered good - Unsecured Deposits with Govt. Depts and others	104.07	91.64
b. Earmarked deposits with banks	28.89	14.89
<b>Total</b>	<b>132.96</b>	<b>106.53</b>

- (i) Security deposits are primarily in relation to public utility services and rental agreements.
- (ii) Non-current earmarked deposits with banks represent, deposits not due for realisation within 12 months from the balance sheet date. These are primarily placed as 100% margin money against the issue of bank guarantees, etc.
- (iii) During the current year the company has made a fixed deposit of ₹ 14.00 Lakhs with Kotak Mahindra Bank Limited in favour of Sugar Development Fund - Govt. of India as security for a period of 7 years 6 Months which shall be released after completion of registration of mortgage on agriculture land held by the company.

#### 4 Other Non-Current Assets

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other Advances (Cane Development Activity)	796.35	506.50
<b>Total</b>	<b>796.35</b>	<b>506.50</b>

- (i) Other advances consist of advances given for cane development activity by the company to encourage farmers for plantation of sugarcane and supply the cane to the Company without any disruption in the upcoming seasons. Such incentives are determined based on contractual arrangements agreed with the farmers against supplies.

#### 5 Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a. Finished goods	3,122.64	5,286.92
b. Stock-in-trade	112.45	2.36
c. Stores and spares	606.12	586.29
d. By-Products	1,197.69	1,422.25
<b>Total</b>	<b>5,038.90</b>	<b>7,297.82</b>
(i) <b>Finished goods</b>		
a. Sugar	687.34	3,586.50
b. Rectified spirits and ethanol	2,435.30	1,700.37
c. Carbon-di-oxide - (CO <sub>2</sub> )	—	0.05
<b>Total</b>	<b>3,122.64</b>	<b>5,286.92</b>
(ii) <b>By products</b>		
a. Molasses	547.82	907.31
b. Molasses in distillery	488.52	339.84
c. Bagasse	155.70	138.52
d. Filter cake	4.27	36.00
e. Ash	1.38	0.58
<b>Total</b>	<b>1,197.69</b>	<b>1,422.25</b>

**Financial Assets**

**6 Trade Receivables** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a. Unsecured and considered good	1,659.26	1,407.50
Total	1,659.26	1,407.50

**6(i) Ageing of trade receivables** (₹ in Lakhs)

Outstanding for following periods from due date of payment	As at 31st March, 2024	As at 31st March, 2023
Undisputed - considered good		
Not Due	—	—
Less than 6 Months	1,653.74	1,384.12
6 Months - 1 Year	0.14	13.20
1 Year - 2 Year	0.36	5.12
More than 2 years	5.02	5.06
<b>Total</b>	<b>1,659.26</b>	<b>1,407.50</b>

**6(ii)** There are no outstanding receivables due from directors or other officers of the Company

**6(iii)** Refer Note 11.1A for information on charges of Trade receivables by the Company.

**6(iv)** Refer Note 28.5(iii) for information on credit risk of receivables.

**7 Cash and cash equivalents** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st April, 2023
a. Cash on hand	0.78	1.55
b. Balances with bank		
- In current accounts	24.88	60.14
- In escrow account - Preferential Issue	73.85	—
<b>Total</b>	<b>99.51</b>	<b>61.69</b>



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### 8 Other current assets (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st April, 2023
<b>a. Advances to growers, harvestors, suppliers and others</b>		
Considered good - Unsecured	822.54	345.74
Considered doubtful - Unsecured	—	—
less: Provision for doubtful advances	—	—
<b>b. Loans and advances to employees - Considered good - Unsecured</b>	35.57	25.76
<b>c. Others - Considered good - Unsecured</b>		
GST credit receivable	72.44	17.42
Income Tax Refund	111.51	94.38
Deposits with Govt departments	2.40	2.40
Prepaid expenses	219.33	143.38
Security deposit	22.97	21.97
Interest and Other Receivable	7.81	1.04
Other Advances (Cane Development Activity) (Refer note no. 4(i))	778.06	253.25
<b>Total</b>	<b>2,072.63</b>	<b>905.34</b>

### 9 Equity Share capital (₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Details of authorised, issued, subscribed and paid up capital :				
(i) Authorised Share Capital				
Equity shares of ₹ 10/- each	1,000,000,000	100,000.00	65,000,000	6,500.00
	1,000,000,000	100,000.00	65,000,000	6,500.00
(ii) Issued Share Capital				
Equity shares of ₹ 10/- each	64,800,305	6,480.03	43,703,643	4,370.36
	64,800,305	6,480.03	43,703,643	4,370.36
(iii) Subscribed and fully paid up				
Equity shares of ₹ 10/- each	64,794,030	6,479.40	43,697,368	4,369.74
	64,794,030	6,479.40	43,697,368	4,369.74
(iv) Subscribed but not fully paid up				
Equity shares of ₹ 10/- each (₹ 5 Paid up)	6,275	0.31	6,275	0.31
	6,275	0.31	6,275	0.31
<b>Total</b>	<b>6,275</b>	<b>0.31</b>	<b>6,275</b>	<b>0.31</b>

#### (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
<b>Equity shares</b>				
At the Beginning of period	43,703,643	4,370.05	43,703,643	4,370.05
Issued during the year	10,096,662	1,009.66	-	-
Converted from 6% Optionally Convertible Redeemable Preference Shares to Equity shares	11,000,000	1,100.00	-	-
<b>Balance at the end of the year</b>	<b>64,800,305</b>	<b>6,479.71</b>	<b>43,703,643</b>	<b>4,370.05</b>

**(ii) Rights, preferences and restrictions attached to equity shares:**

The Company has one class of equity shares having a par value of ₹10 each. Each equity shareholder is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

**(iii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares held	% holding	Number of shares held	% holding
<b>Equity shares</b>				
T.S.R.Holdings Private Limited	12,185,268	18.80%	2,895,478	6.63%
Gayatri Fin-Holdings Private Limited	8,879,660	13.70%	7,169,450	16.40%
T.V. Sandeep Kumar Reddy	6,763,031	10.44%	6,763,031	15.47%
Mohan Project Contractors Private Limited	4,696,757	7.25%	4,697,757	10.75%
T. Indira Reddy	3,793,508	5.85%	3,793,508	8.68%
T. Subbarami Reddy	3,255,814	5.02%	3,255,814	7.45%

**(iv) Details of Promoters shareholding percentage in the Company:**

Particulars	As at 31st March, 2024		% change during the year as compared to 31st March, 2023
	Number of shares held	% holding	
<b>Name of Promoter</b>			
T. Subbarami Reddy	3,255,814	5.02%	0.00%
T.V. Sandeep Kumar Reddy	6,763,031	10.44%	0.00%
T. Indira Reddy	3,793,508	5.85%	0.00%
<b>Name of Promoter Group</b>			
Gayatri Fin-Holdings Private Limited	8,879,660	13.70%	23.85%
T.S.R.Holdings Private Limited	12,185,268	18.80%	320.84%

Particulars	As at 31st March, 2023		% change during the year as compared to 31st March, 2022
	Number of shares held	% holding	
<b>Name of Promoter</b>			
T. Subbarami Reddy	3,255,814	7.45%	0.00%
T.V. Sandeep Kumar Reddy	6,763,031	15.47%	0.00%
T. Indira Reddy	3,793,508	8.68%	0.00%
<b>Name of Promoter Group</b>			
Gayatri Fin-Holdings Private Limited	7,169,450	16.40%	0.00%
T.S.R.Holdings Private Limited	2,895,478	6.63%	0.00%
Gayatri Projects Limited	—	0.00%	-100.00%

**(v) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash:**

a) Equity shares: Issued 12,829,043 shares pursuant to scheme of amalgamation between Gayatri Sugars Limited and GSR Sugars Private Limited vide order dated 18th February 2011 of Hon'ble High Court of Andhra Pradesh at Hyderabad.

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### (vi) Details of calls unpaid on equity shares

	As at 31st March, 2024	As at 31st April, 2023
- Number of shares	6,275	6,275
- Unpaid amount (₹)	31,375	31,375

### 9a Preference share capital

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
<b>Details of authorised, issued, subscribed and paid-up capital</b>				
(i) Authorised Share Capital				
Preference Shares of ₹10/- each	45,000,000	4,500.00	45,000,000	4,500.00
(ii) Issued, Subscribed and fully Paid up:				
6% Optionally convertible redeemable preference shares of ₹10/- each	30,147,023	3,014.70	41,147,023	4,114.70
	<b>30,147,023</b>	<b>3,014.70</b>	<b>41,147,023</b>	<b>4,114.70</b>
<b>Total</b>		<b>3,014.70</b>		<b>4,114.70</b>

### (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
<b>6% Cumulative redeemable preference shares of ₹10/- each</b>				
At the Beginning of period	-	-	41,147,023	4,114.70
Issued during the year	-	-	-	-
Modification in terms during the year	-	-	(41,147,023)	(4,114.70)
Balance at the end of the year	-	-	-	-
<b>6% Optionally Convertible redeemable preference shares of ₹10/- each</b>				
At the Beginning of period	41,147,023	4,114.70	-	-
Issued during the year - Modification in terms	-	-	41,147,023	4,114.70
Converted to Equity shared - During the year	11,000,000	1,100.00	-	-
<b>Balance at the end of the year</b>	<b>30,147,023</b>	<b>3,014.70</b>	<b>41,147,023</b>	<b>4,114.70</b>

### (ii) Rights, preferences and restrictions attached to Preference share capital:

The Company has only one class of 6% Optionally Convertible Redeemable Preference Shares having a par value of Rs. 10 per share issued on 7th March 2023. Each holder of preference shares is entitled to one vote per share.

- (a) 2,50,00,000 - 6% Optionally Convertible Redeemable preference shares are due for redemption on or before 1st April, 2025 with an early redemption right to the Company by giving 30 days notice.
- (b) 49,00,000- 6% Optionally Convertible Redeemable Preference Shares of Rs.10/- each which are due for redemption on 1st April, 2025 with an early redemption right to the Company by giving 30 days notice.
- (c) 2,47,023 - 6% Optionally Convertible Redeemable Preference Shares of Rs.10/- each which are due for redemption on 1st April, 2029 with an early redemption right to the Company by giving 30 days notice.

**(iii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares held	% of holding	Number of shares held	% of holding
<b>6% Optimally convertible redeemable preference shares of ₹10/- each</b>				
Mohan Project Contractors Private Limited	29,900,000	99.18%	29,900,000	72.67%
T.S.R.Holdings Private Limited	247,023	0.82%	9,536,813	23.18%

**(iv) Details of Promoters shareholding percentage in the Company:**

Particulars	As at 31st March, 2024		% change during the year as compared to 31st March, 2023
	Number of shares held	% holding	
<b>Name of Promoter Group</b>			
<b>6% Cumulative redeemable preference shares of ₹10/- each</b>			
T.S.R.Holdings Private Limited	247,023	0.82%	-97%
Gayatri Fin-Holdings Private Limited	-	0.00%	-100%

Particulars	As at 31st March, 2023		% change during the year as compared to 31st March, 2022
	Number of shares held	% holding	
<b>Name of Promoter Group</b>			
<b>6% Cumulative redeemable preference shares of ₹10/- each</b>			
T.S.R.Holdings Private Limited	95,36,813	23.18%	0%
Gayatri Fin-Holdings Private Limited	17,10,210	4.16%	0%

**10 Other Equity**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>a. Share application money pending allotment</b>		
Opening balance	—	—
Add: Amount received during the year	1,049.67	—
Less: Shares issued	(1,009.67)	—
<b>Closing balance</b>	<b>40.00</b>	<b>—</b>
<b>b. Equity Component of compounded financial instrument</b>		
Opening balance	340.84	—
Add: Change in value	—	340.84
Less: Conversion into equity	(154.17)	—
<b>Closing balance</b>	<b>186.67</b>	<b>340.84</b>
<b>c. Securities Premium Account</b>		
Opening balance	215.84	215.84
Add: Premium received on Shares issued	—	—
Less: Adjustment of Expenses in relation to shares issue	(8.06)	—
<b>Closing balance</b>	<b>207.78</b>	<b>215.84</b>
<b>d. Retained earnings</b>		
Opening balance	(17,092.61)	(20,524.80)
Add : Surplus / (Deficit) for the year	703.94	3,432.19
<b>Closing balance</b>	<b>(16,388.67)</b>	<b>(17,092.61)</b>
<b>e. Other Comprehensive Income (OCI)</b>		
Re-measurement gains/(losses) on defined benefits		
Opening balance	(253.27)	(284.17)
Add : Movement in OCI (Net) during the year	(43.23)	30.90
<b>Closing balance</b>	<b>(296.50)</b>	<b>(253.27)</b>

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### f. Money Received against Share Warrants

Opening Balance	—	—
Add: Issued during the year	845.00	—
Add: Subscription amount received/ Shared issued against the share warrants	(262.42)	—
Closing balance	582.58	—
	—	—
<b>Total (a+b+c+d+e+f)</b>	<b>(15,668.14)</b>	<b>(16,789.20)</b>

### a. Share application money pending allotment

This contains Share application money received, pending for allotment to the extent non-refundable is shown under other Equity.

### b. Equity Component of Compounded Financial Instrument

This contains the equity portion of the 6% Optionally convertible preference shares.

### c. Securities Premium Account

Securities premium is used to record the premium received on the issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

### d. Retained Earnings

Retained Earnings are the profits/ (Losses) that the Company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

### e. Re-measurement gains/(losses) on defined benefits

The Company recognises remeasurement gain / (loss) on defined benefit plans in Other Comprehensive Income. These changes are accumulated within the equity under "Remeasurement gain / (loss) on defined benefit plans" reserve within equity.

### f. Money Received against Share Warrants

Represents amounts received towards subscription of compulsorily convertible warrants

**Financial Liabilities**

(₹ in Lakhs)

**11 Borrowings**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Non-Current	Current*	Non-Current	Current*
<b>Carried at amortised cost</b>				
<b>Secured</b>				
a. From Banks				
Working Capital Term Loan	1,275.00	425.00	—	—
b. From Sugar Development Fund (SDF)				
Term Loan from SDF	3,354.88	607.63	3,792.52	—
<b>Unsecured</b>				
a. Liability Component of 6% Optionally convertible redeemable preference shares	2,828.03	—	3,773.86	
b. Loans from related Parties	621.21	—	201.21	—
c. Loans from others	1,458.35	—	1,458.35	—
<b>Total</b>	<b>9,537.47</b>	<b>1,032.63</b>	<b>9,225.94</b>	<b>—</b>

\* Current maturities are included in note 14 - Borrowings - Current

**11.1 Working Capital Term Loan and Demand loan:**

**A Primary Security**

First and Exclusive charge on entire Current Assets and un-encumbered Fixed Assets both present and future.

First Charge on immovable properties and Fixed assets of Sugar Unit and Distillery Unit at Kamareddy.

Second Charge on immovable properties and Fixed assets of Sugar Unit at Nizamsagar.

Extension of Charge on current rentals and future rentals of received/receivable by Gayatri Hotels & Theatres Pvt Ltd (i.e. Company in which KMP / Relatives of KMP are interested).

**B Collateral Security**

1 158.10 Acres Land along with structures owned by Gayatri Sugars Ltd, Kamareddy Unit, located at Adloor Yellareddy Village, Sadasiva Nagar Mandal, Kamareddy District,

2 Second charge on 86.90 Acres Land along with several structures owned by Gayatri Sugars Ltd, Nizamsagar Unit, located at Maagi Village, Gorgal Village and Waddepally village, Nizamsagar Mandal, Kamareddy District,

3 Mortgage of Agricultural Land owned by Gayatri Sugars Ltd admeasuring Ac 3.00 Gts situated at Sy No.161/A Tekriyal Village, Kamareddy Mandal, Kamareddy District on pari-passu basis

4 Mortgage of Agricultural Land owned by Gayatri Sugars Ltd admeasuring Ac 0.10 Gts situated at Sy No.98/A Tekriyal Village, Kamareddy Mandal, Kamareddy District on pari-passu basis

5 Mall & Multiplex Maheshwari Parameshwari situated at Kachiguda Chowrasta, Sultan Bazar, owned by Gayatri Hotels & Theatres Pvt Ltd and Mrs. Aparna Reddy.

6 Pledge of 79 lacs of shares of M/s Gayatri Sugars Ltd belonging to Smt. T. Indira Subbarami Reddy and Sri T. V. Sandeep Kumar Reddy

**C Rate of interest**

The rate of Interest is K-MCLR 6M, presently 9.20%+4.80% i.e 14%

**D Gurantees**

1 Personal guarantee of Shri T.V. Sandeep Kumar Reddy, Smt. T Indira Subbarami Reddy and Smt. T. Sarita Reddy; Directors of the Company.

2 Corporate guarantee of M/s. Gayatri Fin-Holdings Private Limited, M/s TSR Holdings Private Limited and M/s. Gayatri Hotels and Theaters Private Limited

**11.2 Term Loan from Sugar Development Fund (SDF)**

**A Primary Security**

First charge on movable and immovable fixed assets of sugar unit situated at Maagi Village, Nizamsagar Mandal, Kamareddy District, Telangana.

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### **B Terms of Repayment**

- i The SDF term loan was restructured on 20.05.2022 by capitalising the accrued outstanding interest due of Rs. 1,654.15 Lakhs to the principal amount of the term loan.
- ii The restructured SDF Term Loan carries a moratorium period of 24 Months from the date of restructuring. During the Moratorium period interest shall continue to accrue.
- iii Post the Moratorium period, the SDF term Loan including accrued simple interest till 20.06.2024 shall be paid in 60 Equal Monthly Instalments.
- iv The restructured SDF Term Loan Carries a interest rate of 4.65% Per Annum.
- v Refer note no. 28.14.

### **11.2 Rights, preferences and restrictions attached to preference shares - Refer note no. 9A(ii)**

#### **11.3 Unsecured Loan - From Related Parties**

- a The loan from related parties carries an interest rate of 9.5%. The interest is payable on or before 01.04.2027 along with principle amount. Further, the lender has an option to convert the said loan in full or part into Equity or Preferential shares at any time during the tenure of the loan. As at 31.03.2024 the lenders has not exercised the option to convert the loan.
- b The loan from Gayatri Estates (Enterprises where KMP/Relative of KMP are interested) carries an interest rate of 9.5% and the interest is payable on or before 01.04.2027 along with principle amount.

#### **11.4 Unsecured Loan - From Others**

The Lender, has an option to convert the loan in full or partly into Equity or Preference shares of the company at any time during the tenure of term loan which is 01.04.2027 and rate of interest is 9.5%. The interest is payable on or before 01.04.2027 along with principal amount. As at 31.03.2024 the said lender has not exercised the option to convert the loan.

### **11.5 Maturity Profile of borrowings including current maturities and interest is as below :**

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
Not later than one year or on-demand /CC Facility	<b>2024-25</b>	<b>3,605.49</b>	2023-24	5,959.62
Later than one year but not two years	<b>2025-26</b>	<b>4,144.15</b>	2024-25	2,822.37
Later than two years but not three years	<b>2026-27</b>	<b>1,154.15</b>	2025-26	3,958.08
Later than three years but not four years	<b>2027-28</b>	<b>3,233.72</b>	2026-27	797.06
Later than four years but not five years	<b>2028-29</b>	<b>729.15</b>	2027-28	797.06
More than five years	<b>after 31.03.2029</b>	<b>462.99</b>	after 31.03.2028	1,624.39
<b>Total</b>		<b>13,329.65</b>		<b>15,958.58</b>

**11.6** The Company has not defaulted in repayment of loans and interest as at 31st March 2024 and 31st March 2023 (Refer note 28.14)

**11.7** The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of accounts and for the quarter ended 31st March 2024 the company yet to submit the returns or statements with the bank.

**12 Other financial liabilities - Non-Current** (₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
a. Crop Loan	—	38.52
b. Interest accrued but not due on un secured Loans	418.05	432.18
c. Share Application money to the extent refundable	40.00	—
<b>Total</b>	<b>458.05</b>	<b>470.70</b>

12(i) Application Money received for allotment and due for refund

**13 Other Non-Current Liabilities** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured Deposits from Customers	2,795.00	—
<b>Total</b>	<b>2,795.00</b>	<b>—</b>

**14 Provisions - Non-Current** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits (Refer Note No. 28.7)	696.35	665.99
<b>Total</b>	<b>696.35</b>	<b>665.99</b>

**15 Borrowings - Current** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Secured</b>		
a. Loan repayable on demand from banks (Refer Note No. 11.1)	2,572.86	5,959.62
<b>b Current Maturities - Secured Borrowings</b>		
i Current maturities of long-term debt	1,032.63	—
<b>Total</b>	<b>3,605.49</b>	<b>5,959.62</b>

Notes:

**Loans repayable on demand from banks:**

Kotak Mahindra Bank Ltd	2,572.86	—
Union Bank of India	—	3,293.31
Bank of Baroda	—	1,336.66
State Bank of India	—	1,095.96
Punjab National Bank	—	233.69
<b>Total</b>	<b>2,572.86</b>	<b>5,959.62</b>



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### 16 Trade payables (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total outstanding dues of micro and small enterprises*	95.53	—
Total outstanding dues of creditors other than micro and small enterprises	7,134.11	10,840.64
<b>Total</b>	<b>7,229.64</b>	<b>10,840.64</b>

\*The dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

### 16(i) Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
- Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	88.58	—
- Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	6.95	—
- Principal amounts paid to suppliers registered under the MSMED Act, beyond appointed day during the year	—	—
- Interest paid, other than under Section 16 of MSMED Act, to suppliers registered and MSMED Act, beyond the appointed day during the	—	—
- Interest paid under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
- Interest due and payable towards suppliers registered under MSMED Act, for payments already made	—	—
- Further Interest remaining due and payable for earlier years	—	—
<b>Total</b>	<b>95.53</b>	<b>—</b>

### 16(ii) Ageing of trade payables as below: (₹ in Lakhs)

Outstanding for following periods from due date of payment	As at 31st March, 2024	As at 31st March, 2023
<b>Not Due</b>		
(i) MSME parties		
Less than 1 Year	93.08	—
1 - 2 Years	2.45	—
2 - 3 Years	—	—
More than 3 years	—	—
<b>Total</b>	<b>95.53</b>	<b>—</b>
(ii) Others		
Less than 1 Year	7,085.37	10,770.13
1 - 2 Years	13.39	22.60
2 - 3 Years	12.59	7.11
More than 3 years	22.76	40.80
<b>Total</b>	<b>7,134.11</b>	<b>10,840.64</b>

**17 Other financial liabilities - current** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a. Crop loan	1,953.65	—
b. Interest accrued but not due	138.47	—
<b>Total</b>	<b>2,092.12</b>	<b>—</b>

**18 Other current liabilities** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a. Statutory payables	416.02	450.32
b. Advances from customers	558.87	3,870.17
c. Other payables	617.75	500.81
<b>Total</b>	<b>1,592.64</b>	<b>4,821.30</b>

**19 Provisions - Current** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for employee benefits (Refer Note No. 28.7)	180.39	143.46
<b>Total</b>	<b>180.39</b>	<b>143.46</b>

**20 Revenue from operations** (₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Sale of products (Refer Note (i) below)	37,557.46	38,264.48
b. Other operating revenues (Refer Note (ii) below)	153.60	566.90
<b>Total</b>	<b>37,711.06</b>	<b>38,831.38</b>

**Notes:**

**(i) Sale of products comprises**

**Manufactured goods**

Sugar	30,174.65	31,421.80
Ethanol	5,096.78	4,813.04
Impured spirit	22.45	13.74
Power	1,388.15	1,597.78
Bio Methenated Powder	3.92	—
Bagasse	42.99	112.44
Hand Sanitizer	0.01	0.07

**Traded goods**

Fertilizers	825.86	302.96
Acetone	0.13	0.03
Methanol	2.52	2.62

<b>Total sale of products</b>	<b>37,557.46</b>	<b>38,264.48</b>
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**iii) Other operating revenues comprise:**

Sale of scrap	52.25	65.62
Sale of ash	21.77	23.54
Sale of filter cake	79.58	65.43
Sugar Export Licence	—	412.31
<b>Total</b>	<b>153.60</b>	<b>566.90</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**21 Other income (₹ in Lakhs)**

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Interest income		
On fixed deposits with banks	0.97	1.09
On electricity deposits	1.09	0.44
b. Harvesting machine receipts	37.17	49.45
c. Other non-operating income	10.25	4.00
<b>Total</b>	<b>49.48</b>	<b>54.98</b>

**22 Cost of materials consumed (₹ in Lakhs)**

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Sugar cane	23,830.89	28,572.16
b. Others	90.71	97.17
<b>Total</b>	<b>23,921.60</b>	<b>28,669.33</b>

**23 Purchases of Stock-in-Trade (₹ in Lakhs)**

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Fertilizers	892.88	286.27
<b>Total</b>	<b>892.88</b>	<b>286.27</b>

**24 Changes in inventories of finished goods, work-in-process and Stock in Trade (₹ in Lakhs)**

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Opening stock		
Finished goods (including by products)	6,709.17	5,620.47
Fertilizers	2.36	11.64
b. Closing Stock		
Finished goods (including by products)	4,320.33	6,709.17
Fertilizers	112.45	2.36
<b>(Increase) / Decrease in stock</b>	<b>2,278.75</b>	<b>(1,079.42)</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**25 Employee benefits expense**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Salaries and wages	2,086.99	1,946.11
b. Contributions to provident and other funds	117.81	115.10
c. Gratuity	94.24	90.49
d. Staff welfare expenses	62.13	57.63
<b>Total</b>	<b>2,361.17</b>	<b>2,209.33</b>

**26 Finance costs**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Interest expense on:</b>		
a. Term Loan	18.34	0.17
b. Cash Credit	796.50	916.48
c. Sugar Development Fund	169.99	170.78
d. Un-secured loan (Refer Note. 28.15 (b))	—	161.32
e. Non - convertible debentures (Refer Note. 28.15 (b))	—	7.08
f. Others:		
Crop loans	80.25	86.89
g. Finance cost on Preference Shares	—	—
h. Other borrowing costs	1,358.40	1,045.92
i. Interest on MSME	6.95	—
<b>Total</b>	<b>2,430.43</b>	<b>2,388.64</b>

**27 Other expenses**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a. Consumption of stores and spare parts	1,264.26	1,474.31
b. Transportation charges	944.12	1,094.49
c. Distillery expenses	61.51	47.07
d. Handling charges	159.73	194.76
e. Power and fuel	256.92	237.62
f. Rent	23.31	22.30
g. Repairs and maintenance	550.17	551.21
h. Insurance	78.60	79.94
i. Rates and taxes	72.06	62.20
j. Communication	9.48	8.71
k. Travelling and conveyance	26.83	24.90
l. Printing and stationery	3.34	3.19
m. Sales commission	882.84	751.34
n. Legal and professional	31.15	35.28
o. Payments to auditors (Refer Note: 28.11)	8.00	6.00
p. Bad debts Written off	—	7.87
q. Miscellaneous expenses	132.70	167.15
<b>Total</b>	<b>4,505.02</b>	<b>4,768.34</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**28** Other notes forming part of the financial statements

**28.1** Disclosure under Indian Accounting Standard - 116 "Leases", issued by the Institute of Chartered Accountants of India.

There are no leases entered by the company.

**28.2 Contingent liabilities and commitments** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Contingent liability		
(a) Excise Duty	80.28	80.28
(b) Bonus payable for 2014-15	38.48	38.48
(c) Electricity duty on captive consumption	283.99	283.99
(d) Entry Tax - Telangana VAT Act.	14.17	14.17
(ii) Commitments		
(a) Other commitments - for cane purchase agreements for the upcoming crushing season.	25,774.00	23,591.75

**28.3 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Based on the information available with the Company, there are no dues/interest outstanding to micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at 31 March, 2024 Rs. 95.52Lakhs) (As at 31 March, 2023 : Rs. Nil)

**28.4 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with other entities in the industry, the Company monitors its capital using the gearing ratio which is net debt divided by total equity.

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>A Debt</b>		
(i) Non-Current Borrowings	9,537.47	9,225.94
(ii) Current / Short term Borrowings	3,605.49	5,959.62
(iii) Accrued interest	418.05	432.18
(iv) Crop loan	—	38.52
(v) Less: Cash and Cash Equivalents	(99.51)	(61.69)
<b>Net Debt (A)</b>	<b>13,461.50</b>	<b>15,594.57</b>
<b>B Equity</b>		
(i) Equity Share Capital	6,479.71	4,370.05
(ii) Other Equity	(15,668.14)	(16,789.20)
<b>Total Equity (B)</b>	<b>(9,188.43)</b>	<b>(12,419.15)</b>
<b>Net Debt to Equity ratio (Gearing Ratio) (A/B)</b>	<b>(1.47)</b>	<b>(1.26)</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**28.5 Financial Instruments**

**A. Categories of financial instruments** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a. Financial Assets		
Measured at Amortised cost		
Other Financial Assets	132.96	106.53
Cash and Cash Equivalents	99.51	61.69
b. Financial Liabilities		
Measured at Amortised cost		
Borrowings	13,561.01	15,656.26

**B. Fair value hierarchy**

Level 1, inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement;

Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;

Level 3 inputs are unobservable inputs for the asset or Liability.

**Certain Financial Assets and Financial Liabilities that are not measured at Fair Value but Fair value disclosures are required:**

Particulars	As at 31st March, 2024 (Carrying Value & Fair Value (Level 2))	As at 31st March, 2023 (Carrying Value & Fair Value (Level 2))
<b>Fair Value Hierarchy</b>		
Financial Assets:		
Other Financial Assets	132.96	106.53
Trade Receivables	1,659.26	1,407.50
Cash and Cash Equivalents	99.51	61.69
Other Bank Balances	—	—
Financial Liabilities		
Borrowings	13,142.96	15,185.56
Other Financial Liabilities	2,550.17	470.70
Trade payables	7,134.11	10,840.64

**Financial risk management objectives and policies**

The Company's activities expose it to a variety of financial risks like market risk, credit risk and liquidity risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**(i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk, includes loans and borrowings.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**28.5 Financial Instruments (contd...)**

**a. Interest rate risk**

The company's exposure to the risk of changes in market interest rate relates to the floating rate debt obligations.

**Interest rate exposure**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Borrowings</b>		
Non-Current - Floating*	1,700.00	—
Non-Current - Fixed*	8,870.10	9,264.46
Current	2,572.86	5,959.62

\*(Includes Current Maturities)

**b. Foreign Currency Risk**

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee. There is no Foreign Currency Risk as the Company doesn't have exposure in currencies other than Indian Rupee.

**c. Equity Price Risks:**

Since the Company has not invested in equity investments, the changes of equity securities price would not have a effect on the profit or loss of the Company.

**(ii) Commodity Price Risk**

Commodity price risk arises due to fluctuation in prices of Sugar Cane, other raw material and products. Cost of Sugar cane is depend on Government policy on fixation of Fair and Remunerative Price (FRP) which is the major cost of production. The company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The company's commodity risk is managed centrally through well-established trading policies and control processes.

**(iii) Credit Risk Management**

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities.

The maximum exposure of the assets is contributed by trade receivables, cash and cash equivalents and other bank balances. Credit risk on trade receivables is limited as the customers of the Company mainly consist of the amount to be received from state government entities with respective sale of sugar and power. The company takes into account ageing of accounts receivables and the company's historical experience of the customers and financial conditions of the customers.

**(iv) Liquidity Risk:**

The company has issued 3,38,00,000 Share Warrants on preferential basis having face value of Rs. 10/-, the amount raised from such allotment shall help the company in its working capital needs. Further, the fact the Sugar Development Fund Term Loan is restructured and only certain provisional aspects are pending thereon. The management of the company is of the view that these factors compiled with the fact that the company has made profit during the year will help the company to improve its future financial position and accordingly the company doesnt foresee any liquidity risks thereon.

**28.5 Financial Instruments (contd...)**

The following are the details regarding contractual maturities of Significant Financial Liabilities:

**a) As at 31st March, 2024**

(₹ in Lakhs)

Particulars	Borrowings	Trade Paybles	Interest accrued	Other Financial Liabilities
On demand/due	2,572.86	7,134.11	—	—
Less than 1 year	1,032.63	—	138.47	1,953.65
1-5 Years	9,261.17	—	418.05	—
More than 5 years	462.99	—	—	—
<b>Total</b>	<b>13,329.65</b>	<b>7,134.11</b>	<b>556.52</b>	<b>1,953.65</b>

**b) As at 31st March, 2023**

Particulars	Borrowings	Trade Paybles	Interest accrued	Other Financial Liabilities
On demand/due	5,959.62	10,840.64	—	—
Less than 1 year	—	—	—	—
1-5 Years	8,555.23	—	432.18	38.52
More than 5 years	670.71	—	—	—
<b>Total</b>	<b>15,185.56</b>	<b>10,840.64</b>	<b>432.18</b>	<b>38.52</b>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 28.6 Related party disclosures**

**(i) Names of the related parties and their relationship:**

<b>Description of relationship</b>	<b>Names of related parties</b>
Key Management Personnel (KMP)	Smt. T. Indira Reddy - Chairperson Shri. T.V Sandeep Kumar Reddy - Vice Chairman Smt. T. Sarita Reddy - Managing Director Shri. V. R. Prasad - Chief Financial Officer Ms D.V.S.R.Susmita- Company Secretary*
Relatives of KMP	Shri. T.Subbarami Reddy Shri. T.Rajiv Reddy Shri. T.Anirudh Reddy
Enterprises in which KMP / Relatives of KMP are interested	Gayatri Projects Limited TSR Holdings Private Limited Deep Corporation Private Limited Gayatri Fin-Holdings Private Limited Gayatri Hi-tech Hotels Limited Gayatri Energy Ventures Private Limited Bhandara Thermal Power Corporation Limited Yamne Power Projects Limited Gayatri Capital Ltd Gayatri Leasefin Private Ltd T.Gayatri Engg.Co.Private Ltd Maheswari Hotels &Theatres Private Limited Maheswari Film Productions Private Limited Parameswari Land Holdings Private Limited Gayatri Property Ventures Private Limited Maheswari Townships Private Limited Indira Constructions Private Limited Gayatri Hotel Ventures Private Limited Rajiv Realtors Private Limited HKR Roadways Limited Indore Dewas Tollyways Limited NCC Infrastructure Holdings Ltd Sai Maatarni Tollways Limited Gayatri TSR Infra Private Limited Gayatri Bio Organics Limited Gayatri Highways Limited (Formerly Gayatri Domicile Ltd.) Allox Minerals Private Limited (Formerly T. Rajeev Reddy Real Estates Developers Private Limited Indira Energy Holdings Private Limited Gayatri Hotels & Theaters Private Limited
Trust under Common Management	TSR Foundation

Note: Related parties have been identified by the Management.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 28.6 Related party disclosures (contd...)**

**(ii) Transactions with the related parties**

₹ in lakhs

S.no.	Particulars	Relation/ Desigation	Nature of Transaction	2023-24	2022-23
	<b>Transactions with the related parties</b>				
1	Smt. T. Sarita Reddy	Managing Director	Remuneration and reimbursement	60.00	48.00
			Unsecured loan received	—	1,252.80
			Unsecured loan repaid	—	(1,252.80)
			Interest on Unsecured Loan		3.66
2	Shri. V.R.Prasad	Chief Financial Officer	Remuneration	28.63	25.13
3	Ms. D.S.V.R.Susmita	Company Secretary	Remuneration	6.00	0.50
4	Shri. Lalit Kumar Thanvi	Company Secretary	Remuneration	—	3.87
5	Smt. T. Indira Reddy	Chairperson	Sitting Fees	0.25	0.20
6	Shri. T.V Sandeep Kumar Reddy	Vice Chairman	Sitting Fees	0.30	0.15
			Interest on Unsecured Loan	—	9.88
			Interest on Unsecured Loan Paid	(14.13)	—
7	M/s. Deep Corporation Private Limited	Enterprises in which KMP / Relatives of KMP are interested	Rent and Electricity charges	14.75	15.65
			Interest on Unsecured Loan	—	3.22
8	M/s. Gayatri Hi-Tech Hotels Limited	Enterprises in which KMP / Relatives of KMP are interested	Services	—	4.22
			Accommodation	0.08	0.11
9	M/s. Rajiv Realtors Private Limited	Enterprises in which KMP / Relatives of KMP are interested	Unsecured loan received	—	—
			Interest on Unsecured Loan	—	6.01
10	TSR Foundation	Trust under Common Management	Contribution towards donation	9.00	6.00
11	Gayatri Estates	Enterprises in which KMP / Relatives of KMP are interested	Un-Secured Loan Received	2,220.00	—
			Un-Secured Loan Repaid	1,800.00	—
12	Gayatri Hotels (Vizag) Pvt Limited	Enterprises in which KMP / Relatives of KMP are interested	Un-Secured Loan Received	75.00	—
			Un-Secured Loan Repaid	75.00	—
13	TSR Holdings Pvt Ltd	Enterprises in which KMP / Relatives of KMP are interested	GST on Corporate Guarantee Provided	12.24	—
14	Gayatri Fin Holdings Pvt Ltd	Enterprises in which KMP / Relatives of KMP are interested	GST on Corporate Guarantee Provided	12.24	—
15	Gayatri Hotels and Theaters Pvt Ltd	Enterprises in which KMP / Relatives of KMP are interested	GST on Corporate Guarantee Provided	12.24	—

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 28.6 Related party disclosures (contd...)**

**(ii) Transactions with the related parties**

**Related Party Balances**

**(₹ in Lakhs)**

S.no.	Particulars	Relation/ Desigation	Nature of Transaction	2023-24	2022-23
1	M/s. Deep Corporation Private Limited	Enterprises in which KMP / Relatives of KMP are interested	Rent Payables	1.29	1.32
			Unsecured loan and Interest	42.61	42.61
2	Shri. T.V Sandeep Kumar Reddy	Vice Chairman	Unsecured loan and Interest	116.86	130.99
3	M/s. Rajiv Realtors Private Limited	Enterprises in which KMP / Relatives of KMP are interested	Unsecured loan and Interest	74.87	74.87
4	M/s. Gayatri Hi-Tech Hotels Limited	Enterprises in which KMP / Relatives of KMP are interested	Services Payable	0.08	4.98
5	Gayatri Estates	Enterprises in which KMP / Relatives of KMP are interested	Un-secured Loan	420.00	—
6	M/s. Rajiv Realtors Private Limited	Enterprises in which KMP / Relatives of KMP are interested	Un-Secured Loan	74.87	—
7	TSR Holdings Pvt Ltd	Enterprises in which KMP / Relatives of KMP are interested	GST on Corporate Guarantee Provided	12.24	—
8	Gayatri Fin Holdings Pvt Ltd	Enterprises in which KMP / Relatives of KMP are interested	GST on Corporate Guarantee Provided	12.24	—
9	Gayatri Hotels and Theaters Pvt Ltd	Enterprises in which KMP / Relatives of KMP are interested	GST on Corporate Guarantee Provided	12.24	—

**Notes forming part of the Financial Statements**

**Disclosures pursuant to Indian Accounting Standards (Ind AS) - 19 "Employee's Benefits":**

**28.7 Employee benefit plans**

**(a) Defined contribution plans**

The Company makes provident fund to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 117.81 lakhs (31st March 2023: ₹ 115.10 lakhs) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**(b) Defined benefit plans**

The Company offers the following employee benefit schemes to its employees:

- i. Gratuity (Unfunded)
- ii. Compensated Absences

The following table sets out the status of the defined benefit schemes and the amount recognised in the financial statements:

(₹ in Lakhs)

Particulars	For the Year ended			
	31st March, 2024		31st March, 2023	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
Present Value of obligations at the beginning of the year	654.66	154.78	664.66	149.50
Current service cost	47.42	17.38	44.17	17.52
Interest cost	46.81	10.23	46.31	9.93
Actuarial losses				
Remeasurements - Due to Financial Assumptions	10.76	1.49	(6.61)	(0.90)
Remeasurements - Due to Experience Adjustments	11.27	19.72	(29.87)	6.47
Benefits paid	(60.95)	(36.84)	(64.00)	(27.74)
<b>Present Value of obligations at the end of the year</b>	<b>709.97</b>	<b>166.76</b>	<b>654.66</b>	<b>154.78</b>
<b>Components of defined benefit cost recognised in profit or loss</b>				
Current service cost	47.42	17.38	44.17	17.52
Interest cost	46.81	10.23	46.31	9.93
<b>Net cost in profit or loss</b>	<b>94.23</b>	<b>27.61</b>	<b>90.48</b>	<b>27.45</b>
<b>Components of defined benefit cost recognised in Other Comprehensive income</b>				
Re-measurement on the net defined benefit liability:				
Actuarial gains and losses arising from change in financial assumption	10.76	1.49	(6.61)	(0.90)
Actuarial gains and losses arising from experience adjustment	11.27	19.72	(29.87)	6.47
<b>Net Cost in Other Comprehensive Income</b>	<b>22.03</b>	<b>21.21</b>	<b>(36.48)</b>	<b>5.57</b>
<b>Actuarial assumptions</b>				
Discount rate	7.21%	7.21%	7.50%	7.50%
Salary escalation	4.00%	4.00%	4.00%	4.00%
Attrition	5.00%	5.00%	5.00%	5.00%
Normal Retirement Age	58 years	58 years	58 years	58 years
Mortality Rate as % of	IALM (2006-08)Ultimate Mortality table			

(c) The entire present value of funded obligation at the year-end is unfunded and hence, fair value of assets is not furnished.

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### (d) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The table below outlines the effect on gratuity obligation in the event of a decrease/increase of 1% in the assumptions used.

(₹ in Lakhs)

Assumptions	For the Year ended			
	31st March, 2024	31st March, 2023		
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
Discount rate increase by 1%	Decrease by 5.03%	Decrease by 3.0%	Decrease by 5.26%	Decrease 3.1%
Discount rate decrease by 1%	Increase by 5.61%	Increase by 3.2%	Increase by 5.87%	Increase by 3.3%
Expected salary growth increase by 1%	Increase by 5.57%	Increase by 3.3%	Increase by 5.83%	Increase by 3.4%
Expected salary growth decrease by 1%	Decrease by 5.07%	Decrease by 3.1%	Decrease by 5.31%	Decrease by 3.2%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 28.8 SEGMENT REPORTING**

The Company's reportable segments under Ind AS 108 on "Operating Segments" are Sugar and Distillery, for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the following segments tabulated below.

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2024			For the year ended 31 March, 2023		
	Operating Segments			Operating Segments		
	Sugar	Distillery	Eliminations	Sugar	Distillery	Eliminations
Revenue	32,585.25	5,125.81	-	34,001.88	4,829.50	-
Inter-segment revenue	4,453.30	-	4,453.30	3,743.55	-	3,743.55
<b>Total</b>	<b>37,038.55</b>	<b>5,125.81</b>	<b>4,453.30</b>	<b>37,745.43</b>	<b>4,829.50</b>	<b>3,743.55</b>
Segment result	2,455.48	629.41	-	2,117.06	1,063.29	-
Finance cost @	2,430.43	-	-	2,388.64	-	-
<b>Operating income</b>	<b>25.05</b>	<b>629.41</b>	<b>-</b>	<b>(271.58)</b>	<b>1,063.29</b>	<b>-</b>
Exceptional item	-	-	-	-	-	-
Other unallocable income (net)	-	-	-	-	-	-
<b>Profit/(Loss) before taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Tax expense	-	-	-	-	-	-
<b>Profit/ (Loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Segment assets	14,521.24	4,363.57	-	16,158.59	3,453.13	-
Unallocable assets	-	-	-	-	-	-
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,005.04</b>	<b>122.61</b>	<b>-</b>
Segment liabilities	28,065.63	121.52	-	-	-	-
Unallocable liabilities	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Assets	-	-	-	(9,188.43)	-	-

\* Includes sale of power Rs. 1388.15 lakhs (31 March, 2023: Rs. 1597.78 lakhs), as the Product has not satisfied the condition of 10% of total revenue as stated in Ind AS-108, the same has been included in Revenue of Sugar Segment.

@ Finance costs adjusted to Sugar results

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### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28.9 Earnings per share	(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>A. Earnings per share (Basic and diluted)</b>		
Net Profit for the year	703.94	3,432.19
Less: Preference dividend and tax thereon	-	-
Net Profit for the year attributable to the equity shareholders	703.94	3,432.19
Weighted average number of equity shares	754.53	437.01
Par value per share (₹)	10.00	10.00
<b>Earnings per share - Basic (₹)</b>	<b>0.93</b>	<b>7.85</b>
<b>B. Earnings per share (Diluted)</b>		
Net Profit for the year attributable to the equity shareholders	703.94	3,432.19
Add: Dividend Expenses on Optionally Convertible Preference Shares	-	-
Net Profit for the year attributable to the equity shareholders on dilution	703.94	3,432.19
Weighted average number of equity shares for Basic EPS	754.53	437.01
Add: Effect of convertible securities which is dilutive*	472.45	411.47
Weighted average number of equity shares - for Diluted EPS	1,226.98	848.48
Par value per share (₹)	10.00	10.00
<b>Earnings per share Diluted (₹)</b>	<b>0.57</b>	<b>4.05</b>

\* Potential Equity Shares on account of the conversion of Unsecured loans have been ignored in calculating Diluted EPS as the Option is available with the Lenders whether to convert the Unsecured loan into Preference shares or to equity shares, the option was not exercised as on the date of Balance Sheet.

### 28.10 Details of Consumption of imported and indigenous items

		(₹ in Lakhs)	
Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023	
<b>Raw materials</b>			
Imported	—	—	
Indigenous	23,921.60	28,669.33	
	23,921.60	28,669.33	
<b>% Consumption</b>			
Imported	—	—	
Indigenous	100.00	100.00	
	100.00	100.00	
<b>Spares &amp; consumables</b>			
Imported	—	—	
Indigenous	1,264.26	1,474.31	
	1,264.26	1,474.31	
<b>% Consumption</b>			
Imported	—	—	
Indigenous	100.00	100.00	

### 28.11 Auditors remuneration (₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Audit fee	5.00	4.00
Limited Review	3.00	2.00
Other Services	—	—
<b>Total</b>	<b>8.00</b>	<b>6.00</b>

**28.12 Deferred tax (Liabilities) / Asset**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Deferred tax liability in relation to</b>		
Property, plant and equipment	(1,438.58)	(1,428.66)
Tax effect of items constituting deferred tax liability	<u>(1,438.58)</u>	<u>(1,428.66)</u>
<b>Deferred tax Assets in relation to</b>		
Provision for compensated absences, gratuity and other employee benefits	270.91	250.12
Unabsorbed depreciation carried forward	1,167.67	1,178.54
Tax effect of items constituting deferred tax assets	<u>1,438.58</u>	<u>1,428.66</u>
<b>Net deferred tax (liability) / asset</b>	<u>—</u>	<u>—</u>

Note: In absence reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets, the Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the tax base of assets as per books and as per Income Tax.

**28.13** There are no derivative contracts taken during the year and outstanding as at the year-end. Further, there are no foreign currency exposures as at the year-end.

**28.14** During the previous years, the company had defaulted in repayment of the Sugar Development Fund (SDF) loan. Pursuant to the said default, SDF through its monitoring Institution i.e., IFCI Limited had filed a petition before the Debt Recovery Tribunal (DRT) for recovery of its dues. Subsequently, the Company made an application to the Ministry of Consumer Affairs, Food and Public Distribution (Ministry), Government of India (GOI) for restructuring of the SDF loan as per the operational guidelines issued by the GOI. The Company's application was accepted by the Committee for rehabilitation and recommended to GOI for Administrative Approval (AA) for restructuring of the SDF loan. The GOI issued AA approval on 20.05.2022 which is valid till 30/04/2024, with terms of waiver of penal interest and capitalise the regular interest with principal amount, Rate of Interest @4.65% p.a, moratorium period of 24 months and loan repayable in 60 EMIs. The Company complied with all the terms and conditions of AA and executed loan documents i.e., Tripartite Agreement, Escrow Agreement, Hypothecation Deed and Memorandum of Deposit of Title Deeds (MODT) and registration of MODT in the office of the Sub Registrar of Assurances. The company is confident of registering the MODT before the expiry of the AA granted. In view of the above the company is very much confident that the petition filed by IFCI Ltd before the Debt Recovery Tribunal (DRT) will be withdrawn/disposed.

**28.15 (A)** During the Financial Year 2023-24, The Company has taken approval for Increase in Authorised Share Capital of the Company from Rs. 110,00,00,000/- divided into Rs.65,00,00,000/- ( Rupees Sixty Five Crores Only) divided into 6,50,00,000 (Six crores fifty lakhs ) equity shares of Rs.10/- each and Rs. 45,00,00,000/- (Rupees Forty Five Crores Only) divided into 4,50,00,000 (Four Crores Fifty Lakhs) Preference Shares of Rs.10/- each to Rs. 145,00,00,000/- (Rupees One Hundred and Forty Five Crores Only) divided into Rs.100,00,00,000/- (Rupees One Hundred Crores Only) divided into Rs.10,00,00,000/- (Ten Crores) equity shares of Rs.10/- each, and Rs.45,00,00,000/- (Rupees Forty Five Crores Only) divided into 4,50,00,000 (Four Crores Fifty Lakhs) preference shares of Rs.10/- each. The Company has initiated the process of raising funds of Rs.4150.00 lakhs by way of issue of Equity Warrants on preferential basis to arrange the working capital requirement of the Company and general corporate purpose and against such offer the Company had got subscription of 3,38,00,000 share warrants. Against such subscribed share warrants the Company had received amount of Rs.2.50 per share warrant amounting of Rs.845.00 lakhs. Further, the Company has received full subscription amount for 1,00,96,662 shares, amounting to Rs. 1009.67 lakhs and the balance amount shall be received in the due course as per the terms of the share warrants. Further, During the current year the Company had also converted the 1,10,00,000- 6% Optionally convertible preference shares in to same number of equity shares of Rs.10/- each to the promoter group.

**(B)** During the Financial Year 2023-24, the Company earned a net profit of Rs.703.94 lakhs and further, the Company has raised fund by issue of share warrants and allotment of equity shares against the



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share warrants on receipt full subscription amount as stated in note 28.15 (A) above. Further The Company yet to receive the balance subscription amount against pending allotment share warrants and the Company has significantly reduced the working capital exposure. Further based on approvals received from the lenders of the unsecured loans and 6% Optionally convertible preference shares holders, the Company has written off interest accrued during the year on unsecured loans amounting to Rs.187.79 lakhs and has written off preference dividend of Rs.175.48 lakhs. The Management of the Company is of the view that these factors along with the fact that the Company has made a profit during the year will help the Company to improve its future financial position.

- 28.16** "The Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh dismissed the Company's writ petition (along with the other petitions on the same matter filed by other companies) vide its common order dated May 19, 2016 ('the Order') in which it upheld the validity of levy of Electricity Duty @ 25 paisa per unit by the State Government on consumption of electricity by captive generating units relating to earlier years. In the year 2016-17, the Company filed a Special Leave Petition (SLP) in the Hon'ble Supreme Court which dismissed the SLP vide order dated September 27, 2016 on the grounds that these matters were pending before the Board for Industrial and Financial Reconstruction (BIFR), and unless payments were being made by the petitioners as directed in its interim orders @ 15 paisa per unit. The Hon'ble Supreme Court also granted liberty to the petitioners to revive the petitions after the decision is given by the BIFR. Currently, the case filed before BIFR stands abated and the Company has not initiated any proceedings before the NCLT.

The management is of the view that as the case filed before BIFR stands abated and no demand notices were received thereafter for the payment, the Company has treated the estimated duty amount aggregating Rs. 283.99 lakhs as a Contingent Liability and no provision has been made in respect of the same. In the event of an unfavourable verdict/outcome in this matter, the Management based on the Supreme Court's interim orders and considering the inherent uncertainty in predicting the final outcome of the above litigation estimates the impact of the potential liability to be Rs. 170 lakhs.

In view of the above, the auditors have made a Qualified Opinion in their Audit Report about their inability to comment on the ultimate outcome of this matter and the consequential impact, if any, on these financial statements.

**28.17 Ratios:**

Particulars	2023-24	2022-23	Variance percent
Current ratio (times)	0.60	0.44	37.14
Debt-equity ratio (times)	(1.43)	(1.22)	16.98
Debt service coverage ratio (times)	0.72	9.21	(92.17)
Return on equity ratio (%)	(0.08)	(0.28)	(72.28)
Inventory turnover ratio (in days)	4.39	4.16	5.58
Trade receivables turnover ratio (in days)	24.59	14.65	67.87
Trade payables turnover ratio (in days)	2.75	2.52	8.99
Net capital turnover ratio (in days)	(6.47)	(3.21)	101.51
Net profit ratio (%)	0.02	0.09	(79.26)
Return on capital employed (%)	0.73	0.83	(12.03)
Return on investment (%)	NA	NA	

S.No.	Ratios	Numerator	Denominator
(a)	Current ratio	Total current assets	Total current liabilities
(b)	Debt-equity ratio	Total Gross Debt	Average shareholder's
(c)	Debt service coverage ratio	Earnings for Debt service (Profit after tax + Finance cost + Depreciation and amortisation + Other non-cash expenditure)	Debt service = (interest + Principal Repayments)
(d)	Return on equity ratio	Profit after tax	Average shareholder's equity
(e)	Inventory turnover ratio	Average inventory * 365	Total revenue from operations
(f)	Trade receivables turnover ratio	Average trade receivables * 365	Total revenue from operations
(g)	Trade payables turnover ratio	Average trade payables * 365	Cost of materials and services consumed or used
(h)	Net capital turnover ratio	Average working capital = Current assets (-) Current liabilities *365	Total revenue from operations
(i)	Net profit ratio	Profit after tax	Total revenue from operations
(j)	Return on capital employed	Earnings before interest and taxes (Profit before taxes + Finance cost)	Average Capital employed "Capital employed = Total equity + Borrowings
(k)	Return on investment	Income generated from investments	Time-weighted average investments in mutual funds

**Note for Variance in ratios**

- 1 Current ratio: Due to decrease in Trade Payables
- 2 Debt Equity Ratio: Due to increase in Equity and Decrease in borrowings
- 3 Debt Service Coverage Ratio: DSCR has decreased due to lower earnings before interest and Tax.
- 4 Return on Equity Ratio: Due to increase in share capital
- 5 Trade receivables turnover ratio: Due to decrease in Turnover
- 6 Net Capital Turnover Ratio: Due to decrease in current liabilities and also due to decrease in current assets
- 7 Net Profit Ratio: Due to decrease in turnover.

**28.18** The managerial remuneration paid to Managing Director for the financial year 2023-2024 of ₹ 60 lakhs was approved by the Share holders at the Annual General Meeting held on 27/09/2023 as per requirement of Section 197 read with schedule V of the Companies Act, 2013.

**28.19** Additional Regulatory Information as required by Schedule III of the Companies Act, 2013:

- a No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- b No charges are pending for registration with Registrar of Companies (ROC) beyond the statutory period.
- c During the current financial year, to the best knowledge of the company, it didn't have any relationship with Struck-off Companies.
- d The Company has not traded or invested in Crypto Currency or Virtual Currency during the current or previous year.
- e The Company is not been declared as a Wilful Defaulter by any Bank, Financial Institution or other lenders.
- f There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- g The Company has not entered into any Scheme of Arrangement in terms of sections 230 to 237 of the Companies Act, 2013. Hence there will be no accounting impact on the current or previous financial year.
- h During the year the Company has raised funds through private placement of Equity Share Warrants.

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- i (A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: -  
a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by on or behalf of the company (Ultimate Beneficiaries) or  
b) Provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.  
(ii)(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall.  
a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or  
b) Provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.
- j The Company has not revalued its property, plant, and equipment during the current or previous year.
- k The provisions of Corporate Social Responsibility Under Section 135 of Companies Act 2013 are not applicable to the Company.
- l The Company does not have any Immovable Properties where title deeds are not held in the name of the Company.
- m The Company has not made any investment and do not have subsidiaries, therefore clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable.
- 28.20** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- 28.21** Previous years figures have been regrouped / reclassified wherever considered necessary to correspond with the current year classification/ disclosures.
- 28.22** The financial statements were approved for issue by the Board of Directors on 25.04.2024s

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As per our report attached

**For M O S & Associates LLP**

Chartered Accountants

**Sd/-**

**Oommen Mani**

Partner

Membership No. 234119

Place : Hyderabad

Date : 25th April, 2024

**For and on behalf of the Board of Directors**

**Sd/-**

**T. Sarita Reddy**

Managing Director

DIN No : 00017122

**Sd/-**

**V.R. Prasad**

Chief Financial Officer

**Sd/-**

**T.V. Sandeep Kumar Reddy**

Vice Chairman & Director

DIN No : 00005573

**Sd/-**

**D.S.V.R. Susmitha**

Company Secretary