



AVADH/SE/2024-25/23

July 9, 2024

The Manager
Listing Department
National Stock Exchange of India Limited
'Exchange Plaza'
C - 1, Block G, Bandra-Kurla Complex
Bandra (E)
Mumbai 400051
SYMBOL – AVADHSUGAR

The Manager
Listing Department
BSE Ltd.
1st Floor, New Trading Ring
Rotunda Building, P.J. Towers
Dalal Street, Fort
Mumbai-400 001
STOCK CODE - 540649

Dear Sirs,

Sub: Annual Report including Audited Financial Statements for the year ended 31st March, 2024

In terms of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we enclose a copy of the Annual Report including Audited Financial Statements of the Company for the financial year ended 31st March, 2024 together with the Notice dated 13th May, 2024 convening the 10th Annual General Meeting of the Company on Wednesday, July 31, 2024.

Thanking you,

Yours faithfully,
For Avadh Sugar & Energy Limited

Prashant Kapoor
Company Secretary
ACS – 15576

Encl.: – as above



K. K. BIRLA GROUP OF SUGAR COMPANIES

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Phone: + 91 33 2243 0497 / 8, 2248 7068, 3057 3000, 3041 0900 . Fax: + 91 33 2248 6369
Regd. Office: P.O. Hargaon, Dist. Sitapur, U.P., PIN 261 121 . Website: www.birla-sugar.com . CIN:L15122UP2015PLC069635

Reimagining Our Company

Building a new foundation for growth



Annual Report 2023-24

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Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Online Annual report
www.birla-sugar.com

Corporate Information

Board of Directors

Mrs Nandini Nopany

Non-Executive Director & Chairperson

Mr. Chandra Shekhar Nopany

Non-Executive Director & Co-Chairperson

Mr. Anand Ashvin Dalal

Independent Director

Mr. Gaurav Swarup

Independent Director

Mr. Pradip Kumar Bishnoi

Independent Director

Mr. Kalpataru Tripathy

Independent Director

Mrs. Kausalya Madhavan

Independent Director

Mr. Amit Dalal

Additional Non-Executive Director (w.e.f. May 13, 2024)

Mr. Devendra Kumar Sharma

Whole-time Director

Committees of Directors

Audit Committee

Mr. Anand Ashvin Dalal, Chairperson

Mr. Pradip Kumar Bishnoi

Mr. Kalpataru Tripathy

Mrs. Kausalya Madhavan

Mr. Devendra Kumar Sharma

Stakeholders' Relationship Committee

Mrs. Kausalya Madhavan, Chairperson

Mr Anand Ashvin Dalal

Mr. Pradip Kumar Bishnoi

Mr. Gaurav Swarup

Nomination and Remuneration Committee

Mr. Gaurav Swarup, Chairperson

Mr. Anand Ashvin Dalal

Mr. Kalpataru Tripathy

Mrs. Kausalya Madhavan

Risk Management Committee

Mr. Pradip Kumar Bishnoi, Chairperson

Mrs. Kausalya Madhavan

Mr. Chand Bihari Patodia

Mr. Dilip Patodia

Mr. Devendra Kumar Sharma

Corporate Social Responsibility Committee

Mr Kalpataru Tripathy, Chairperson

Mr. Pradip Kumar Bishnoi

Mr. Devendra Kumar Sharma

Finance & Corporate Affairs Committee

Mrs Nandini Nopany

Mr. Chandra Shekhar Nopany

Mr. Gaurav Swarup

Mr. Devendra Kumar Sharma

Executives

Mr Arvind Kumar Dixit, Executive President, Hargaon

Mr. Sukhvir Singh, Executive President, Seohara

Mr. Karan Singh, Executive President, Hata

Mr. Munesh Pal, Executive President, Rosa

Mr. Dilip Patodia, Chief Financial Officer

Ms. Vijaya Agarwala, Company Secretary

Auditors

S R Batliboi & Co. LLP
Chartered Accountants
22, Camac Street, 3rd Floor, Block 'B'
Kolkata 700 016

Advocates & solicitors

Khaitan & Co. LLP

Bankers

State Bank of India
ICICI Bank Limited
HDFC Bank Limited
IDBI Bank Limited
DCB Bank Limited
DBS Bank Limited
The South Indian Bank Limited
AXIS Bank Limited

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
(Unit : Avadh Sugar & Energy Limited)
502 & 503, 5th Floor,
Vaishno Chambers, 6, Brabourne
Road, Kolkata - 700 001
Tel: 91 033 4004 9728/4073 1698
E-mail: kolkata@linkintime.co.in

Registered Office

P.O. Hargaon District – Sitapur, (U. P.),
Pin Code – 261 121
Tel. No.: (05862) 256220,
Fax No. : (05862) 256225
E-mail : avadhsugar@birlasugar.org
Website : www.birla-sugar.com
CIN – L15122UP20152PLC069635

Corporate Office

Birla Building
9/1, R.N. Mukherjee Road, 5th Floor
Kolkata - 700 001
Tel. No. (033) 2243 0497/8, Fax
No.:(033) 2248 6369
E-mail : avadhsugar@birlasugar.org
Website : www.birla-sugar.com

Sugar Mills

1. Hargaon, District Sitapur, (U. P.)
2. Seohara, District Bijnor (U. P.)
3. Hata, District Kushinagar (U. P.)
4. Rosa, District Shahjahanpur, (U. P.)

Distilleries

1. Hargaon, District Sitapur, (U. P.)
2. Seohara, District Bijnor, (U. P.)

Co-generation Power Plant

1. Hargaon, District Sitapur, (U. P.)
2. Seohara, District Bijnor, (U. P.)
3. Hata, District Kushinagar (U. P.)



Reimagining Our Company

Avadh Sugar & Energy Limited seeks to reinforce its growth foundation by embracing the new.

The Company has invested extensively in digitalisation.

It is deepening systems, as well as increasing the transparency of its institutionalised processes.

It is recruiting subject matter experts, reinforcing its positioning as a knowledge-driven organisation.

It is aligning corporate strategies around stakeholder priorities and global standards.

In doing so, the Company is reimagining its personality around enhanced responsibility, profitability and sustainability.

Corporate Snapshot

Avadh Sugar &
Energy Limited.

Engaged in the
production of sugar,
ethanol and co-
generated power.

Graduating towards
bio-fuels from its core
business of sugar.

Graduating from
debt-driven expansion
to accruals-driven
growth.

Graduating from
one-off profitability
to strong business
sustainability.

Our backdrop

Avadh Sugar & Energy Limited is part of the esteemed K.K. Birla Group, enjoying a significant presence in India's private sector. Backed by a combined cane licensed crushing capacity of 58,000 tonnes per day, the conglomerate operates seven state-of-the-art manufacturing facilities in Uttar Pradesh and Bihar, producing white crystal sugar and associated by-products.

Our establishment

The Company was established on March 19, 2015 with a licensed cane crushing capacity of 39,000 tonnes per day.

Our offerings

The Company's manufacturing facilities produce a range of products including sugar, spirits, alcohol and power. Their product portfolio is seamlessly integrated, with raw materials from one process serving as inputs for another, enhancing integration, margins and interdependence. The Company generated 71.21% of its revenues from sugar, 21.74% from distillery operations and 2.20% from power co-generation during the year under review.

Our presence

The Company has established a strong foothold in Uttar Pradesh, a region abundant in sugarcane, with four manufacturing units strategically located in the Sitapur, Kushinagar, Shahjahanpur and Bijnor districts, all situated in Western Uttar Pradesh. As of March 31, 2024, the Company's consolidated licensed crushing capacity was 39,000 tonnes per annum.

Capacity	Consolidated	Hargaon	Seohara	Rosa	Hata
Sugar (TCD)	39,000	13,000	13,000	5,000	8,000
Distillery (KLPD) on B molasses	325	200	125	-	-
Renewable energy (MW)	87	23	29	-	35

Revenue mix

Business segments	Revenue (₹ Crore)		PBIT (₹ Crore)	
	2022-23	2023-24	2022-23	2023-24
Sugar	2,156.87	2,022.90	122.38	160.39
Distillery	559.73	585.89	112.89	122.56
Power	56.57	61.80	(2.02)	10.39

Our consumers

The Company has forged robust partnerships with wholesalers spanning six States in India. Its wholesaler network comprises brokers and sub-brokers who serve as distribution partners. Each of the wholesalers has been affiliated with the company for at least five years.

Listing

The Company's shares are listed on the National Stock Exchange and Bombay Stock Exchange. The Company's market capitalisation was ₹1,066.78 Crore as on March 31, 2024.

Our workforce

The Company maintains a stable workforce comprising skilled and experienced professionals adept in various domains such as agriculture, manufacturing, information technology, research, finance and other support functions. As of March 31, 2024, the Company employed 2019 employees with over 97.98% of them having worked with the organisation for five years or more.

Our suppliers

The Company's growth is fueled by longstanding partnerships with sugarcane growers in proximity to its manufacturing facilities. In 2023-24, the Company procured cane from 2.90 Lakh farmers, with purchases amounting to ₹2,382.59 Crores, revitalising the local economy.

Our Credit rating

The Company's long-term issuer rating was upgraded to 'IND A+/ Stable' and short-term rating re-affirmed at 'A1' by India Ratings and Research, validating its timely debt repayment capability.

Where we are situated in Uttar Pradesh



How we performed operationally in 2023-24



Our robust financial performance



Revenues

Definition

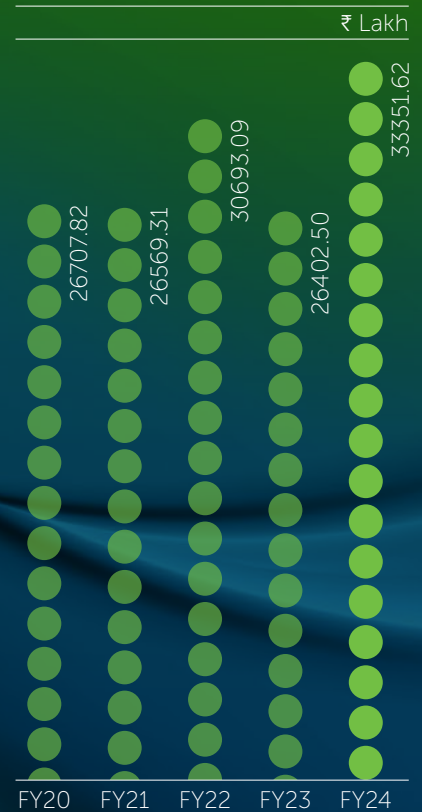
Growth in sales

Why is this measured?

It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the Company's performance can be compared with sectoral peers.

Performance

Revenues were lower by 3.93% at ₹2,69,670,70 Lakh in 2023-24 on account of a lower sale of ethanol.



EBITDA

Definition

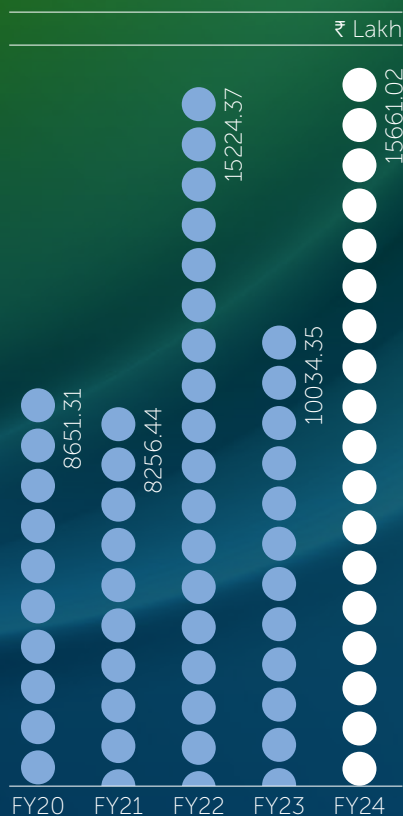
Earnings before interest, depreciation, exceptional items and tax.

Why is this measured?

It is an index that showcases the Company's ability to generate a surplus after operating costs, creating a base for comparison with sectoral peers.

Performance

The Company reported a 26.32% increase in EBITDA in 2023-24 owing to lower sugar volumes and increased cane costs



Total comprehensive income

Definition

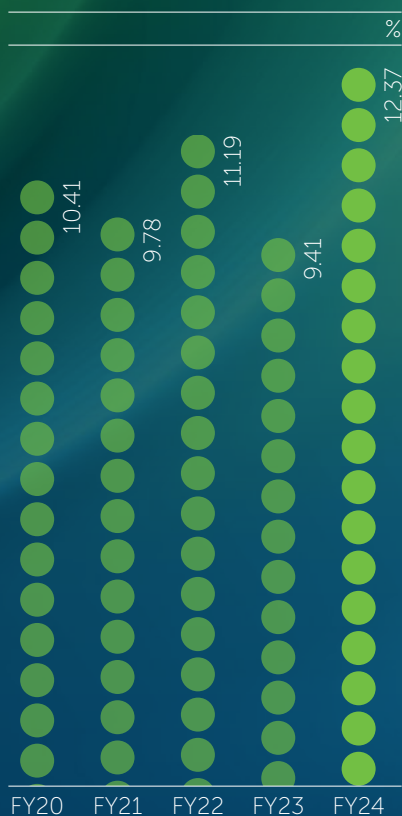
Total comprehensive income (TCI) includes profit for the year and other comprehensive income.

Why is this measured?

It provides a holistic view of the Company's income that is not fully captured in the income statement.

Performance

The Company reported a 56.07% increase in TCI in 2023-24.



EBITDA margin

Definition

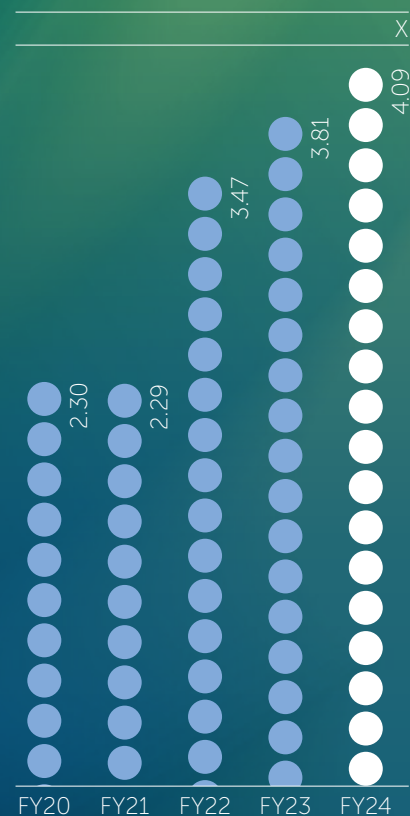
EBITDA margin is a profitability measure to ascertain a company's operating efficiency.

Why is this measured?

The EBITDA margin provides an index of how much a company earns (before interest, depreciation, exceptional items and tax) on each rupee of sales.

Performance

The Company's EBITDA margin was higher by 2.96 bps due to increased cane crushing



Interest cover

Definition

This is derived through the division of EBITDA by interest outflow.

Why is this measured?

Interest cover indicates the solvency available to service interest – the higher the better.

Performance

The Company's interest cover strengthened from 3.81x in 2022-23 to 4.09x in 2023-24, among the highest in the Indian sugar industry.

The Chairperson's perspective

Reimagining Our Company



Overview

I am pleased to present my strategic and performance overview related to 2023-24.

Your Company reported a marginal decline of 3.73 per cent in revenues to ₹2,693.51 Crore, 26.32 per cent increase in EBITDA to ₹334 Crore, a 296 bps increase in EBITDA margin to 12.37 per cent and a 27.8 per cent rise in profit after tax to ₹128.11

Crore. This performance reflects operations in the second half of the sugar season 2022-23 and the first half of the sugar season 2023-24.

The operating income and bottom line performance improvement was on account of business-strengthening initiatives undertaken during the last few years. The sugar and distillery segments contributed in different ways to your Company's

performance: the sugar segment from the previous sugar season reflected improved crushing and recovery,

The message that I wish to communicate is not as much about your Company's performance as much as it is about its positioning and prospects. The highlight of my communication this year is that your Company is at the cusp of a significant change that should translate into longer and sustainable growth.

Reimagining

Your Company is reimagining its personality and this has come not a day too soon. There was a time when the conventional worked within a conventional sector; the time has come for a larger interplay of the modern in a sector that is transforming from sugar to bio-energy. From being manufacturers of a lifestyle product, erstwhile sugar manufacturers are moving mainstream; even within the mainstream space they are playing a central role in the subject of energy transition; within energy transition, they are playing a key role in replacing finite fuels with agriculture-linked renewable energy options. This is an important transition from the use of mined resources to farmer-generated resources that could transform the rural landscape, national economy and the global environment.

This extensive sectorial change warrants a transformation in the personality of the players engaged in it. We are reimagining your Company across various fronts. We

see ourselves as a company that has inherited a rich legacy of one of the largest industrial houses of the country; we are also one of the oldest sugar manufacturers in India possessing deep stakeholder trust. The time has come to shed a skin; the time has come to move from one orbit to another.

Your Company recognises that this transformation will not be complete if we address the subject incrementally. The change will have to be extensive; the transformation will have to be comprehensive.

Transformation agenda

The first aspect of your Company's transformation will be in the

will make the biggest impact on our productivity, proactiveness and positioning. Your Company will recruit younger professionals, balancing the role of subject matter experts and youthfulness. Your Company will be extensively delegated, more target-orientated, work with enhanced accountability and create a succession of leaders at every level.

The third aspect of your Company's transformation will flow from the second. The Avadh of tomorrow will be more systems-oriented. This process-driven approach – with established reporting systems - will progressively liberate the Company from being driven by personalities.

Your Company charted a four-year vision, one of the first such forward-looking instances in decades. This will liberate your Company from an annual perspective to a medium-term outlook. This enunciated outlook will attract like-minded professionals and stakeholders. It will convey that your Company is growth driven, independent of short-term market disturbances. It will send out a big picture message of where we are and where we expect to go, the basis of all governance.

Optimism

I am optimistic about this four-year vision for good reasons. The vision is not top-down but bottom-up: it has taken into account opportunities within each of your Company's manufacturing facilities that we need to build on. The vision is not intimidating: it will not stretch the Balance Sheet and risk its financials that could compromise stakeholder returns. The vision is not in unrelated areas: it will build on the cane foundation that your Company possesses and will lead us into synergic areas that enhance margins and capital efficiency.

In view of these reasons, I am not just optimistic that your Company will ride out the industry downtrend; I am optimistic that we are seeding our business with potent shock absorbers that make it possible to resist the extent of the sectoral downside should they recur and empower us to capitalise on the rebound.

We believe that this combination should empower your Company to enhance value for all our stakeholders in a sustainable way.

Nandini Nopany
Chairperson

I am optimistic about this four-year vision for good reasons. The vision is not top-down but bottom-up: it has taken into account opportunities within each of our manufacturing facilities that we need to build on.

digitalisation of operations. We believe that digitalisation is not just about improving processes; it is about transforming the mind-set. A deeper digitalisation initiative at your Company is expected to accelerate processes, strengthen systemic security, create a platform for the integration of new digital technology (making your Company future-ready), provide advanced tools to employees and enhance stakeholder morale. I have no doubt that the digitalisation of our business is not just about ourselves; it is about enhancing the pedigree of our eco-system.

The second aspect of your Company's transformation will be about how it treats and values people. In a rapidly transforming world, people will make the big difference between success and failure. At a time when the Company is making deeper investments in its portfolio breadth and depth, the value of our knowledge capital

Besides, a focus on systems will enhance all-round transparency, giving rise to an institutionalised 'Avadh Way of Doing Things.'

The fourth aspect of your Company's transformation will be a greater role for governance in everyday thought and action. There is now a deeper understanding that corporate progress needs to be aligned with larger stakeholder priorities; these priorities are no longer local but increasingly global in character. Your Company will grow a business around this body of governance expectations that enhances its respect as a responsible corporate citizen. One of the visible upsides of this governance commitment will be an uncompromising respect for the environment and safety standards across units, functions and employees.

The fifth aspect of your Company's transformation will be a rising capital expenditure programme.

Value-creation report, 2023-24

How we are enhancing value for our stakeholders



Overview

There is an increasing emphasis on maximising value for all stakeholders. The value-creation strategy is detailed in our Integrated Value-Creation Report, which provides insights into financial management, governance practices, talent retention policies and sustainability reporting. The multi-faceted drivers of holistic value-creation help enhance our Company's reputation across stakeholders, including employees, customers, suppliers, business partners, local communities, legislators, regulators and policymakers.

Our sustainability foundation

Strategy

- Maximise value from a stick of cane
- Four-year strategic roadmap; enhancing business scalability
- Increase revenues from biofuels (quantum and %)

Procurement economies

- Secure abundant sugarcane through win-win farmer partnerships
- Increasing licensed cane crushing capacity (aggregate 3000 TCD in one unit)
- Increasing ethanol output (and plant operations) through multi-feed capacities

Manufacturing competence

- Investing in advanced technology equipment; enhanced efficiency
- Investing in safety and environment responsibility cum sustainability
- Enhancing resource management flexibility through swing capacities

Financial structure

- Staggered expansion across four years; lower capital load
- Increased working capital efficiency
- Focus on enhanced Return on Capital Employed (ROCE)

Environment integrity

- Reduce resources consumed per unit of output
- Explore eco-friendly byproducts (ethanol and power)
- Prospective manufacture of green hydrogen

Talent competence

- Develop skills, expertise and passion
- Increase productivity; delegate authority and empower individuals
- Deepen a culture of outperformance

Community support

- Foster community engagements around manufacturing facilities
- Implement initiatives aligned with US Sustainable Development Goals
- Enhance neighbourhood prosperity

6 Capitals influencing Avadh’s value-creation approach

Financial capital

The financial resources comprises funds acquired from investors, promoters, banks, government and financial institutions through debt, equity or accruals.

Manufactured capital

The manufactured capital encompasses assets, equipments and cutting-edge technologies invested in the development of final products. Logistics for the transportation of raw material and finished goods are integral components of the Company’s manufacturing capacity.

Human capital

The expertise and proficiency of the Company’s management, employees and contract workers constitute its human capital.

Natural capital

The Company obtains its raw materials from nature, putting a premium on a reduced environment impact.

Intellectual capital

The Company’s intellectual capital comprises cost optimisation, operational excellence and proprietary knowledge.

Social and relationship capital

This comprises the company’s engagement with communities and partners including vendors, suppliers and customers, demonstrating responsible citizenship.

Our strategy for sustained business growth

Strategic focus	Innovate and excel	Cost leadership	Supplier of choice	Robust people practices	Responsible citizenship	Value-creation
Key enablers	Our emphasis lies in enhancing cane yields, sugar recovery and quality of the end product	<p>We prioritise operational excellence to achieve cost efficiency.</p> <p>We ensure timely and sufficient investment in automation, operational integration and capacity utilisation</p> <p>We are expanding our business through accruals, reducing our reliance on debt and strengthening our gearing</p>	<p>We adhere to the highest quality standards in manufacturing, reinforcing our position as a preferred supplier</p> <p>Our products meet the rigorous requirements of our customers, leading to long-term engagement.</p>	<p>We had employed more than 2019 people as on March 31, 2024</p> <p>Our approach to employee engagement includes delegation, empowerment, responsibility and accountability.</p> <p>85.47% of our employees had worked for 5 years or more with us as on March 31, 2024</p>	<p>We actively participate in community development initiatives near our manufacturing facilities</p> <p>We invested ₹278.96 Lakh in CSR initiatives during 2023-24</p> <p>Our CSR initiatives impacted the lives of thousands of individuals</p>	<p>We enhance value by optimising revenue generation from each cane stick through operational integration</p> <p>We make investments in high governance standards, strengthening sustainability.</p> <p>We are achieving growth around a streamlined Balance Sheet, improving profitability</p>
Material issues addressed	We seek to advanced technologies and promote a culture of outperformance.	We seek to enhance competitiveness across all functions to enhance business sustainability	We seek to strengthen customer loyalty amidst a broad range of vendor options.	We seek to instill a culture of excellence across every factory, level and position.	We seek to place a premium on trust, accountability and responsibility	We seek to address variables and uncertainties affecting our business.
Capitals impacted	Manufactured, Intellectual, Financial	Financial, Intellectual, Natural, Social and Relationship	Intellectual, Manufactured Social and Relationship	Intellectual, Human Relationship, Natural	Social and Relationship Natural	Intellectual, Manufactured, Social and Relationship

Value enhanced in 2023-24

Financial capital

64.00

Earnings per share (₹)

Manufacturing capital

1,918.10

Revenues earned from sugar
(₹ Crore)

Human capital

2,019

Employees

1,066.78

Market capitalisation
as on March 31, 2024 (₹ Crore)

59.23

Revenues earned from co-generated
power (₹ Crore)

102.43

Remuneration paid (₹ Crore)

585.56

Revenues earned from ethanol
(₹ Crore)

Natural capital

26.95

Green power generated (Crore units,
2023-24)

Social and Relationship capital

2,90,000

Cane growers engaged by the
Company

9.57

Ethanol sold for petrol blending
(Crore litres)

2,200

Customers addressed
(across businesses)

Enhancing stakeholder value

Employee value

Salary and wages	2020-21	2021-22	2022-23	2023-24
(₹ Crore)	86.75	89.25	108.28	102.43

The Company invested progressively more in employee remuneration when seen from a medium term perspective, underlining its role as a responsible employer

Customer value (revenues)

Sales revenues	2020-21	2021-22	2022-23	2023-24
(₹ Crore)	2,716.92	2,747.78	2,807.27	2,696.98

The Company has grown its businesses in the last few years, especially in downstream segments

Community value

CSR investment	2020-21	2021-22	2022-23	2023-24
(₹ Crore)	258.80	248.65	256.71	278.96

The Company enriched communities in the geographies of its presence through a complement of CSR programmes

Shareholder value

Market capitalisation	2020-21	2021-22	2022-23	2023-24
(₹ Crore)	369.74	1,456.14	871.20	1,066.78

The Company strengthened shareholder value through a complement of business strategy, accruals reinvestment and cost management

Excellence driver

The core of our business lies in our capacity to procure abundant quality cane in a sustainable manner



Overview

At Avadh Sugar, the foundation of our business lies in our ability to procure quality sugarcane following harvest, maximising our production capacity and amortising our fixed costs.

This capability is sustained through systematic cane development practices. Throughout the year, the Company engages in a range of

activities to identify suitable farmland not yet covered by cane, instill farmer confidence to plant cane, safeguard crop health, guide on advanced agricultural techniques and ensure timely compensation. In the role of an advisor, the Company encourages hesitant farmers to allocate a portion of their land towards cane cultivation and existing farmers to expand their cane acreage.

Challenges and counter-responses

The Company encountered challenges marked by declining cane yield and vulnerability to red rot disease in the longstanding CO 0238 sugarcane variety, leading to harvest losses and reduced crushing. To address this reality, the Company promoted the adoption of advanced cane varieties like CO118

and CO15023, providing subsidised seeds and organising community gatherings to facilitate the transition.

The switch in the cane mix in the Hata and Hargaon command areas two years ago was aimed to combat cane disease. As a result, the Hargaon command area now reported a significant increase in cane varietal mix to 80%, with fresh sowing of the legacy CO 0238 variety reduced to only 15%. This proactive responsiveness led to enhanced capacity utilisation and improved recovery.

Challenges remained in the Rosa unit where 99% of the standing crop comprised the vulnerable CO 0238 variety. While the decline in cane output was not substantial, the Company anticipated yield and recovery challenges as the productive life cycle of the legacy variety appeared to be nearing its end. To mitigate this, the Company initiated the replacement of 15-20% of the standing crop with new disease-resistant varieties.

Strengths of the programme

Engagement: The Company strengthened engagement with farmers through periodic farm visits, ensuring consistent cane supply.

Presence: The Company's command areas, being close to manufacturing units, facilitated timely logistical access and a low time from harvest to crushing, improving recovery.

Substitution: The Company's proactive replacement of its previous cane variety aimed to mitigate the risk of crop disease while increasing yield.

Team: The Company assembled a team approximately 15 experts to lead cane development.

Automation: The promotion of mechanised farming was expected to improve cane quality and yield.

Innovation: The Company implemented digital technologies

for farm measurements within its command areas, enhancing accuracy and efficiency.

Guidance: The Company offered farmers guidance on modern agricultural practices that enhanced farm productivity.

Highlights, 2023-24

Financial

- The Company ensured farmer payments within 14 days, enhancing trust
- The Company prioritised farmer liquidity to incentivise higher cane cultivation
- The Company guided farmers on suitable non-cane crops to augment farm incomes

Shift

- The Company reduced the cultivation of CO238 by 47% within its command areas and increased planting of the alternative C0118 and C015023 varieties.

Support

- The Company initiated the manufacture of Trichoderma for distribution among farmers.
- The Company introduced plants raised in its tissue culture laboratory for commercial purposes.
- The Company facilitated interactions between farmers and scientists, appointing renowned scientists in Hata for farmer consultations.

Equipment

- The Company enlisted a third-party service to implement mechanised harvesting through the Hata unit.
- The Company offered farmers discounted trolleys, each capable of carrying 36 quintals, to minimise the time between cutting and crushing.
- The Company supplied farmers with tranche openers, ratoon management devices, trash

mulchers, tractors and spray machines.

Miscellaneous

- The Company's ambulances, equipped with testing facilities, conducted complimentary health screening for farmers
- The Company installed health ATMs at primary medical centres near sugarcane farms

Outcomes

The Company reported 8.78% growth in cane supply - at its Hata facility from 9.46 Lakh tonnes in 2022-23 to 10.29 Lakh tonnes in 2023-24; at its Hargaon unit from 18.42 Lakh tonnes in 2022-23 to 20.96 Lakh tonnes in 2023-24; at its Seohara unit from 22.14 Lakh tonnes in 2022-23 to 22.61 Lakh tonnes in 2023-24 and at its Rosa unit from 6.89 Lakh tonnes in 2022-23 to 7.94 Lakh tonnes in 2023-24.

Outlook

The Company plans to reduce the time between cutting and crushing across all manufacturing units after implementing mechanised harvesting, based on successful trials. The Company aims to safeguard the sugarcane crop by promptly diagnosing and treating issues. The Company intends to expedite the adoption of high-yielding varieties such as C13235 and C14201. The increased production of trichoderma is anticipated to combat diseases effectively.

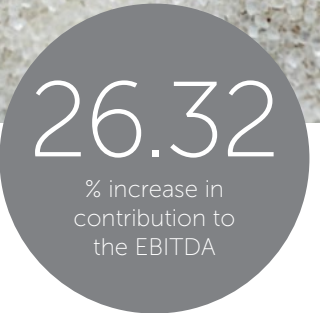
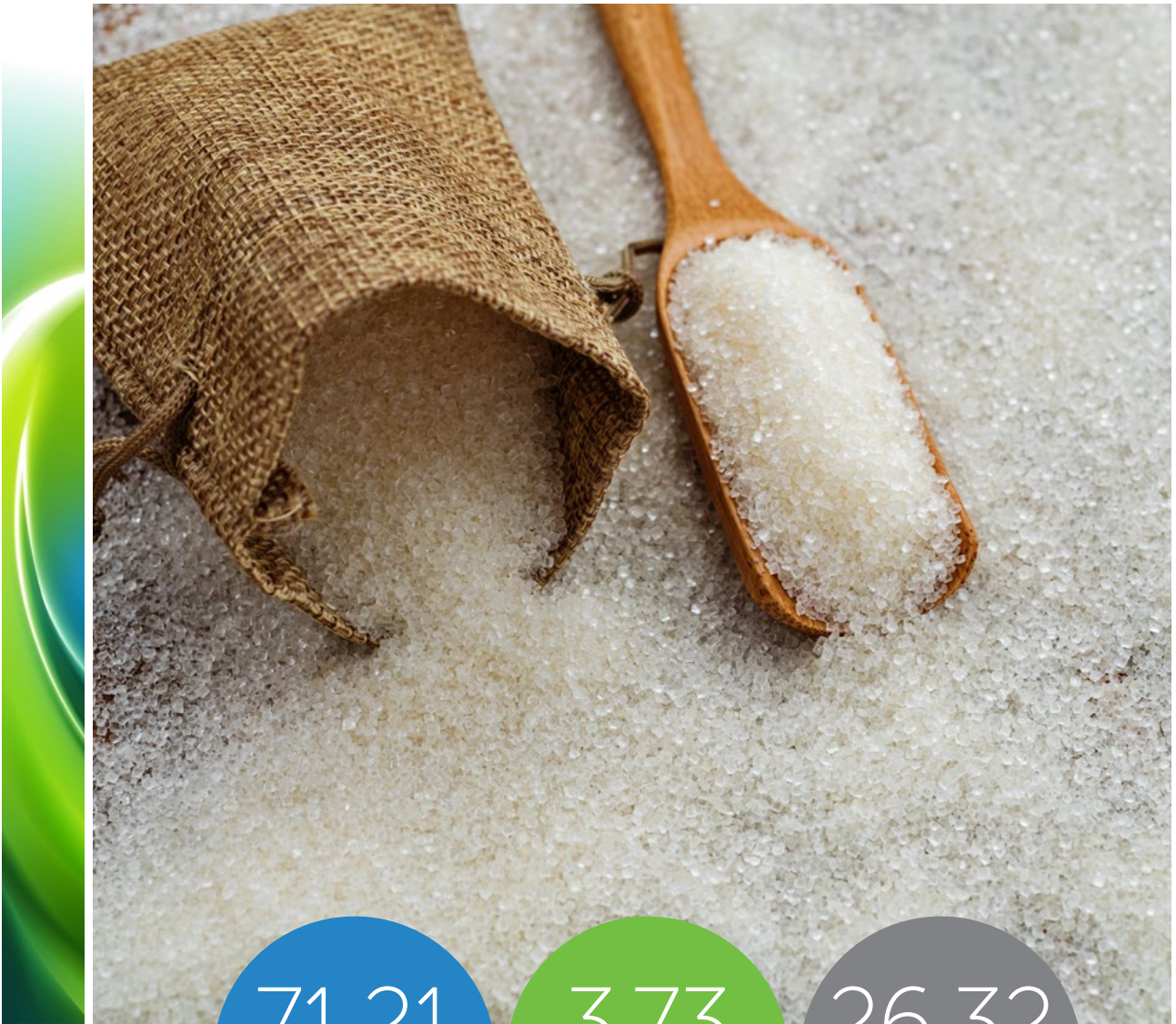
Big number

2.90

Lakh, farmers associated with the Company, 2023-24

Excellence driver

The health of our sugar business



Overview

Avadh Sugar is an established sugar manufacturer tracing its origin almost nine decades ago to its first unit in Hargoan in 1932. In 2023-24, sugar contributed 71.21% to the Company's revenues, its primary revenue generator. Strategically situated in cane-rich Western Uttar Pradesh, the Company operates four manufacturing facilities in Seohara, Hargaon, Rosa and Hata, specialising in the production of white and refined sugar. As of March 31, 2024, the Company's cane licensed crushing capacity was 39000 TCD. The Company is commissioning a sugar refinery at Rosa to produce value-added sugar, reducing its exposure to the commodity end of the wholesale sugar market.

Challenges and mitigation

- Sluggish sugar realisations impacted the business's profitability.
- Sugar recovery decreased due to the presence of disease in the CO238 cane variety.
- By replacing the CO238 cane variety in vulnerable command areas, the Company protected cane recovery

- The commissioning of new proximate sugar mills increased competition for cane, affecting procurement

Strengths

Engagement: The Company leveraged its multi-decade engagement with farmers

Positioning: The Company's manufacturing units are situated in Uttar Pradesh, an area abundant in sugarcane

Assortment: The Company specialised in the production of white sugar across three units and refined sugar in one unit

Superiority: The Company's sugar quality continued to be highly regarded, the output consistently meeting standards below the ICUMSA 100 threshold

Highlights, 2023-24

- The business manufactured 6.40 Lakh Tonnes of sugar.
- Delivered an EBIT of ₹160.38 Crore compared to ₹122.38 Crore in 2022-23.
- Crushed 61.89 Lakh Tonnes of cane compared to 56.91 Lakh Tonnes in 2022-23.

- Reported 3.79 Lakh Tonnes of inventory as on March 31, 2024
- Replaced the old mill house with new mills in Seohara and Rosa

Outlook

The Company intends to motivate farmers to plant high-yield cane varieties and enhance sugar recovery by reducing the cut-to-crush time.

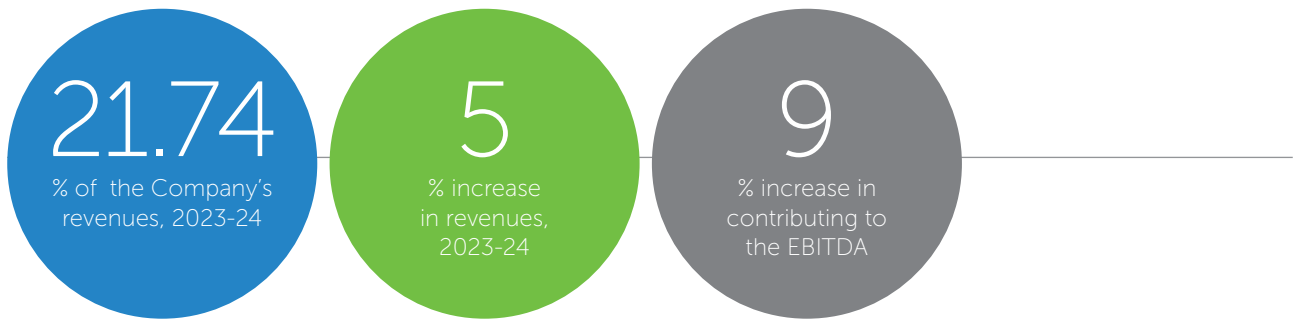
Big number

10.29

% sugar recovery in 2023-24

Excellence driver

The health of our distillery business



Overview

Avadh Sugar inaugurated its maiden distillery in Hargaon in 1945. The Company operates distilleries in Hargaon and Seohara, collectively comprising a capacity of 325 thousand litres per day (KLPD) as of March 31, 2024. The Company plans to commission a multi-feed distillery capacity at Rosa, enabling longer operational periods beyond the typical five-month sugar season.

During the year under review, the Company supplied 9.51 Crore litres of ethanol, sourced from 8.47 Crore litres via the B-Heavy route and 0.50 Crore litres from the direct syrup route. The average realisation for ethanol was ₹60.74 per litre, with ₹66.20 per litre for ethanol obtained from the syrup route and ₹61.58 per litre from the B-Heavy route.

Avadh is among the few companies to consume its entire molasses output, eliminating the need for external purchases. The Company's diversion of sugar for ethanol production doubled compared to the previous year, underscoring the distillery segment's pivotal role as a revenue generator and facilitating quick cash flows.

Strengths

Pioneering: Avadh Sugar stands out as one of few sugar companies in Uttar Pradesh to have diversified into ethanol production.

Prepared: The Company's distillery units have been equipped with state-of-the-art technology, which includes new molasses tanks and a multi-evaporator system.

Association: The Company enjoyed enduring partnerships with ethanol buyers, particularly large oil marketing companies.

Utilisation: The Company utilised 100% of its distillery capacity in 2023-24 following capacity expansion.

Highlights, 2023-24

The business recorded an EBIT margin of 21% as against 20% in 2022-23.

Sold 9.51 Crore bulk litres of Ethanol at an average ₹60.74 per litre compared to 9.01 Crore bulk litres at an average realisation of ₹60.36 per litre in 2022-23.

Manufactured 9.91 Crore bulk litres of alcohol as against 9.30 Crore bulk litres of alcohol in the previous year.

Operated both distillery units (Seohara and Hargaon) for around 330 days.

Achieved 100% capacity utilisation across both distillery units by 35%.

Reduced steam consumption across both distillery units.

Outlook

The business intends to sustain 100% capacity utilisation across both distillery units.

Big numbers

60.36

₹ per litre realisation in 2022-23

60.74

₹ per litre realisation in 2023-24

Excellence driver

The health of our co-generation business

2.20

% of the
Company's
revenues, 2023-24

3

% decline in
revenues,
2023-24

Overview

As of March 31, 2024, the Company's bagasse-based co-generation capacity stood at 87 MW. Of this capacity, 65% surplus power was sold to the Uttar Pradesh Power Corporation Limited. The cogeneration segment accounted for 2.20% of the Company's total revenues. The generation of captive power facilitated uninterrupted power supply for the Company while generating revenues through merchant sales.

Challenges and mitigation

The Company received ₹3.35 per unit for sold power, which is deemed unprofitable. Legal measures are underway against the state government to secure a higher power price as per the initial and agreed contractual terms.

Strengths

Competent: The Company's re-engineering of its boiler and turbine is expected to moderate steam consumption per tonnes of production by nearly a third, enhancing resource efficiency

Captive utilisation: The Company's boilers and turbines were fully utilised without downtime.

Advancement: The Company made investments in cutting-edge power generation assets, enhancing efficiency and productivity.

Highlights, 2023-24

- The business EBIT margin stood at 5% as against 0.76% in 2022-23.
- Produced 26.50 Crore units compared to 24.37 Crore units in 2022-23.
- Exported 17.41 Crore units compared to 16.07 Crore units in 2022-23.
- Recorded zero downtime of turbines.
- Average realisations stood at ₹3.35 per unit compared to ₹3.26 per unit in 2022-23.

Outlook

The Company plans to replace the condensing turbine in Seohara with a back pressure turbine, which is expected to reduce power export and increase profitability. The Company aims to increase power export.

Big numbers

3.26

₹, rate per unit during
2022-23

3.35

₹, rate per unit during
2023-24

Talent

People management at Avadh



Overview

Avadh recognises the importance of people management in enhancing its sustainable competitive advantage. With a forward-looking approach centered on diversifying its product range and implementing increased process automation, the Company highlights the strategic significance of talent acquisition, management and development in driving productive outcomes.

In the Indian sugar industry, characterised by varied revenue streams and diverse capabilities, effective talent management stands out as the key differentiator. Companies that prioritise investing in their workforce’s experience, knowledge, exposure, delegation and empowerment are poised to sustain a strong competitive edge.

Avadh’s dedication to talent investment deepened a culture of excellence, enabling the Company to expedite new capacity commissioning, operate facilities with enhanced efficiency and sustain a relatively lower cost structure compared to industry standards. This commitment forms the bedrock of its sustained outperformance.

Key competencies

Respect: The Company is recognised for its stability and responsibility. It is renowned as an employer of choice within India’s sugar industry.

Responsibility: Significant investments helped implement safe and responsible work practices, improving safety within and around the company’s manufacturing premises.

Accountability: Through empowerment, the Company instilled ownership and leadership among employees.

Work-life balance: Emphasising punctuality and timely delivery, the Company encouraged employees to meet deadlines while promoting a healthy work-life balance.

HR policy

At Avadh, the human resource strategy revolves around talent acquisition, development and retention. The average age of employees stood at 48, with an average tenure exceeding five years, reinforcing the abundance of invaluable experience and exposure within the workforce. The Company prioritises comprehensive employee development alongside initiatives focused on health and safety.

HR vision

Our organisation's vision revolves around excelling in manufacturing sugar and allied products, prioritising responsible governance practices, transparency, empowerment, accountability and environmental consciousness. We aim to fulfill the aspirations of farmers, customers, employees, finances and society at large. Our vision also includes providing opportunities for employees and business associates to realise their full potential and maximise shareholder value through integration and expansion

HR priorities

- Recruit top-notch talent
- Focus on tailored career advancement
- Prioritise ethics and values

- Cultivate a distinctive organisational ethos
- Encourage a multi-generational workforce
- Improve employee communication methods
- Support diversity and inclusion within the workforce

Employee value-proposition

At Avadh, our Employee Value Proposition is not just a set of promises; it is a reflection of a commitment to nurturing a thriving workplace where every individual can grow, learn and succeed. Rooted in values, the EVP encompasses three pillars:

- We grow with you
- Learn and grow
- Happiness is ours

We grow with you: Our EVP revolves around the idea that growth is not just a possibility but a promise. With more than half of our workforce experiencing organic career progression, we demonstrate our dedication to nurturing talent from within. Through structured performance evaluations, including job descriptions, key result areas and objective key result areas, we ensure fair and transparent assessments. Our talent management program, Spotlight, identifies and grooms future leaders through initiatives like the Future Leader Readiness Program, Front End Leadership Readiness Program and Young Leadership Readiness Program. By investing in our employees' growth, we are deepening a culture of excellence and achievement.

Talent management

Talent development and management	Category	Talent Brand
Assessment centre and development centre	Senior management and department head level	Future Leader Readiness Program
	Middle management and section head level	Front End Leadership Program
	Junior management cadre level	Young Leadership Readiness Program

Learn and grow: Continuous learning resides at the heart of the Company's EVP. Through the Gurukul initiative, employees enjoy access to a range of learning opportunities encompassing *Gyan Darshan*, *Prashikshan* and *Marg Darshan*. The Company believes that learning leads to growth and as employees enhance their skills, they are recognised as heroes through our reward and recognition program. By promoting learning and development, the Company empowers employees to progress towards achieving their potential.

People learning initiatives

Training and development	Learning program	Programs	People who participated	Program hours	Coaches	Overall feedback (1 to 5 point scale)
The Gurukul	Gyan darshan (KRA based functional knowledge training)	42	326	180 hrs	Internal gurus	4.10
	Prashikshan On the job skill training	77	417	250 hrs	Internal gurus and external mentors	4.02
	Marg Darshan Leadership & culture	13	104	90 hrs	External mentors with top leadership	4.31

Rewards and recognition

Award	Target category	Criteria	Winners
Dronacharya Award	Senior leadership	Best mentor Team coaching	4
Aaj ka Arjuna Award	Middle management	Target versus achievement	9
Mast Dimag Wale Award	Junior level supervisor	Innovation and creativity Cost savings	13
Jo Jeeta Wahi Sikandar Award	Floor team	Cost control Loss prevention Exemplary behaviour	27
Tu Hi Masiha Award	Open entry	Problem solving Helping and guiding others	5

Happiness is ours: The Company recognises the importance of a work-life balance and holistic well-being. The EVP prioritises the happiness and well-being of

employees through initiatives like Santulan, which focuses on health, family safety and work-life balance. Khushiyan, the Company's fun-at-work activities, engage

employees and their families. By facilitating a supportive and inclusive environment, the Company ensures that employees thrive personally and professionally.

Santulan: Work-life balance and health

Health and safety	Participation
Health check-up for employees and their families	1367
Annual safety day celebration	1256
World Health Day	648
World Yoga Day	1634
Eye check camp	912

Khushiyan: Fun at work

Family engagement	Environment	Sports and others
Annual Day	World Environment Day	Independence Day celebration
Food mela	Tree plantation inside the factory	New year celebration
Holi ka Dhamaka	Farmer's Day	Republic Day celebration
Diwali Milan	Earth Day	Games and activities
Club Tour		Children's Day

Challenges and how we address them

While the EVP reflects our commitment to employee growth, we acknowledge the challenges inherent in the sugar industry, comprising legacy-based practices and resistance to change. With the support of the Company's leadership and focus on cultural transformation, the Company is poised to overcome challenges and emerge as a certified Great Workplace.

Safety first: At Avadh, safety is deeply ingrained in our organisational culture. Our leadership prioritises safety above all else, approaching it holistically to ensure physical well-being, environmental preservation and community harmony. Through the EVP, including initiatives like 'We grow with you', 'Learn and grow' and 'Happiness is ours,' the Company cultivates safety and wellness among employees. The structured performance culture incentivises

safety excellence, with programs like the 'Future leader readiness program' embedding safety leadership at every level. Recognition and reward, such as the Dronacharya award and Mast dimaag wale, celebrate individuals who embody safety values. The Company's dedication extends to stakeholders, ensuring safety is a shared priority. Continuous improvement through feedback mechanisms like the 'People function survey' reinforces the safety commitment.

5S and Kaizen

Sorting out

Systematic
arrangementSpic and
span

Standardise

Self-
discipline

Outlook

The Company aims to improve skill development, enhance behavioural cum interpersonal capabilities and provide clear career paths, leading to increased

organisational effectiveness. The Company aims to reinforce its HR success by participating in the Great Managers Institute competition and applying for the Great Place to Work certification. The Company recognises the need for cultural

remodelling and restructuring to adapt to industry changes and remain technology-oriented. The focus remains on maintaining low stress, promoting work-life balance and supporting employee retention.

Employees

Year	FY22	FY 23	FY24
Employees	2129	2984	2020

Employees by gender

Year	FY22	FY 23	FY24
Male	100%	100%	100%
Female	-	-	-

Retention rate (%)

Year	FY22	FY 23	FY24
People retention rate in %	96.77	95.23	94.46

Employees by tenure

Year	FY22	FY 23	FY24
More than 5 years (as % of total)	85.28	85.95	85.47

Health and safety – incidents

Year	FY22	FY 23	FY24
Incidents	NIL	NIL	NIL

Training coverage of the organisation

Year	FY22	FY 23	FY24
Training coverage in % terms	57	75	77

Average age

Year	FY22	FY 23	FY24
Average age	48	48	48

Employees by age group

Year	FY22	FY 23	FY24
Age group 22-35	199	194	203
Age group 36-45	667	473	439
Age group 46-60	1263	1417	1378

Profile of employees as per education

Year	FY22	FY 23	FY24
Graduates	466	470	475
Masters	229	241	253
Technical workers	937	893	826
Engineers	67	71	72
MBA's	13	13	13
Chartered accountants	4	3	3

Person-years of organisational experience

Year	FY22	FY 23	FY24
Person-years of experience	42	42	42

Nationality mix of employees

Year	FY22	FY 23	FY24
Indian %	100%	100%	100%
Non-Indian %	-	-	-

ESG

Building resilience through responsible practices



Overview

At Avadh Sugar, we embrace our role as a responsible corporate citizen, with an increased emphasis on environment, social and governance (ESG) principles that reinforce our commitment to stakeholders.

Given the nature of our operations, which involves hazardous processes, safety, systems and security are paramount. We recognise the importance of fostering a deep governance culture, which, unlike reactive measures, promotes stability, resilience and long-term stakeholder value. Governance is thus an intrinsic part of our business strategy.

ESG practices not only strengthen competitiveness and sustainability but also contribute to top-line growth, cost efficiency, reduced regulatory risks, enhanced employee productivity and optimised returns.

Avadh Sugar and ESG

At Avadh Sugar, environment-social-governance (ESG) principles form the foundation of our operations.

The environment aspect focuses on responsible resource utilisation, waste management, reduced fossil fuels consumption and climate resilience to minimise our carbon footprint.

The social dimension involves investments in people, supporting a positive company culture, nurturing relationships with vendors and customers and fulfilling social responsibilities.

Governance encompasses strategic clarity, adherence to business values, robust codes of conduct, transparent board composition and alignment with principles outlined by the United Nations Global Compact (UNGC), sustaining fair stakeholder expectations.

This comprehensive approach of integrating environment, social and governance factors provides a framework for secure, scalable and sustainable growth.

Environment

The Company's environmental approach focuses on reducing the carbon footprint.

Product selection: The Company emphasises producing products that benefit human health and society. Sugar improves taste and preserves food, ethanol serves as a fuel additive to enhance combustion and reduce emissions and co-generated power replaces traditional thermal power sources.

Stronger controls: There is a growing commitment to environmental management,

though due diligence and disaster planning cum response systems. The Company is increasingly guided by a comprehensive culture emphasising processes, IT systems, audits and compliance measures.

Reducing environment impact: The Company is committed to reducing energy intensity and greenhouse gas emissions by transitioning to cleaner processes

or fuels. It aims to achieve zero waste to landfills and zero effluent discharge, while moderating water consumption and groundwater drawal intensity

Proactive investments: The Company invested in infrastructure, equipment, people and practices to strengthen environment stewardship.

Social

The acceleration of business transformation is attributed to the collective knowledge and experience of our team.

Employees: Our investments in products and processes have resulted in efficient cost management. The Company made timely investments in recruitment, retention and training. It improved operational safety through training, implementation of protocols, obtaining certifications, timely

investments and awareness building.

Customers and vendors: The Company strengthened relationships with vendors supplying capital equipment and spares as well as its primary customers in the trade. Collaborating closely

with reputable vendors and dependable trade partners facilitated this process.

Community: The Company engaged with communities around its manufacturing locations through CSR interventions that enhanced their prosperity.

Governance

At Avadh Sugar, governance refers to the system of practices, regulations and protocols that our Company has put in place to govern operations, make decisions, abide by laws and address the concerns of external stakeholders

Stakeholders: The Company is dedicated to benefit all stakeholders. It aims for vendors to grow alongside, customers to gain enhanced competitiveness through solutions and employees to enjoy pride, fair remuneration, career advancement and job stability. Investors should receive superior returns on their capital compared to other investment opportunities, while the community should experience positive impacts from its presence. The government should benefit through tax revenues and the creation of livelihoods.

Board of Directors: The Company's strategic direction is steered by a distinguished Board of Directors, consisting of accomplished professionals, esteemed industrialists and influential thought leaders.

Integrity: Fairness in dealing is why customers seek products from us, employees work at our Company, vendors sell to us, investors provide risk capital, bankers lend and communities support.

Strategic investments: The Company has made strategic

long-term investments with a dedicated focus on nurturing culture, enhancing assets, adopting advanced technologies and selection of trade partners based on character and competence.

Controlled: The Company utilises its net worth to capitalise on market opportunities, reinvesting its earnings for business expansion, while remaining a debt-free.

EHS

How Avadh Sugar enhanced its Environment, Health and Safety (EHS) responsibility



#1 Environment commitment

At Avadh Sugar, we recognise that we are engaged in a business that is sensitive to EHS considerations. In view of this, the Company has integrated HSE principles into its practices.

At Avadh Sugar, we believe that responsible environmental

management can be business-strengthening in various ways.

One, it can reduce the Company's costs by minimising waste generation and optimising resource use (water and energy).

Two, environment management can enhance corporate reputation

and improve engagements with stakeholders (customers, investors and regulatory agencies).

Three, it can ensure long-term sustainability by reducing negative environmental outcomes, ensuring business continuity.

Our environment management approach

At Avadh Sugar, our environment management approach has comprised the 3R approach (reduce, recycle, reuse), reflected in the following initiatives:

Resource conservation:

Reduced consumption of finite environmental resources through optimised processes, coupled with improved energy efficiency.

Pollution control: Minimised emissions and pollutants discharged, have led to a downward trend in pollution generation, ensuring a compliance with regulatory norms mandated by environment authorities.

Waste management: Collected, transported and disposed waste

products by recycling and reusing materials; implemented proper hazardous waste disposal.

Water conservation: Reduced water use and wastewater discharge by implementing water-saving technologies and optimised processes to reduce wastewater generation.

Our sustainability policies

The Company implemented a range of policies to ensure sustainability and resource efficiency. These policies well directed at reducing the consumption of resources, preventing environmental damage and promoting the efficient use of scarce natural resources.

Our key EHS policies

At Avadh Sugar, our business is driven by a complement of policies that have deepened our approach to environment responsibility.

Sustainability Policy: This comprehensive policy guides all operations and decision-making, directed at enhancing long-term stakeholder value while minimising environment impact.

Environmental Policy: The Company developed an Environment Management System (EMS) to prevent, mitigate and control environmental damage caused by its operations or players across its value chain. The EMS includes contingency plans and processes for managing environment deviations.

#2 Our health commitment

Certain activities within our workplace can compromise the health of our employees, marked by exposure to heat, noise, dust, hazardous chemicals, machines and psychological stress. To protect employees, we implemented the use of sprinklers and water tankers to control heat and fire hazards; we used bag filters to control dust pollution and particulate matter.

The health measures for blue and white collar employees comprised the following:

- Establishment of a fully equipped occupational health centre operational round the clock, manned by trained medical staff and a doctor.
- Identifying and reporting workplace hazards to ensure a safe working environment.
- Implementing workplace safety programmes
- Providing proper safety training to employees
- Installed health ATMs in local government hospitals.
- Developed a Mediclaim policy for all employees.
- Equipped each operational unit with a doctor, clinic, ambulance, compounder and pathology lab.
- Established canteens in each factory to provide nutritious meals.

The Company's equipped occupational health center operates 24/7, staffed with trained medical personnel and doctor. Every department is provided first-aid boxes; the Company is provided two ambulances to respond to emergencies.

#3 Our safety commitment

At Avadh Sugar, we manage a range of hazardous processes, products and heat, increasing safety risks for workers. At

our Company, we take safety management seriously; identifying potential hazards and mitigating

their risks is crucial to respect and business continuity.

We implemented system for responsible hazards identification, evaluation and control. We ensure that all equipment is periodically inspected and maintained to reduce the risk of failure. We provide hands-on training to ensure that our personnel understand and apply safety procedures. We encourage an open reporting culture where our personnel feel comfortable reporting hazards or incidents without the fear of retribution; we ensure that our personnel remain vigilant and aware of potential hazards. We take measures to manage workplace stress and ensure that our personnel possess the necessary resources and support to manage stress. We ensure that our leaders set an example by following safety procedures, reporting hazards and incidents.

Risk assessment

Our risk assessment involves identifying potential hazards and taking reasonable steps to prevent them.

Awareness programmes: We conduct awareness programs for employees to educate them on potential workplace hazards and their effective management.

Audits: We conduct monthly site audits to assess that safety measures are in place coupled with improvement areas (reports shared with relevant departments).

Safety observations: We encourage employees to report potential safety hazards; we implement corrective actions promptly.

Training programs: We conduct comprehensive training programs that educate employees about safety procedures and hazards management.

Firefighting drills: We conduct firefighting mock drills to prepare our employees. We procured a multipurpose fire tender and trained the team to handle such emergencies.

Work permit system: We implemented a work permit system to ensure that all jobs are done safely under safe conditions.

Risk management initiatives

Importance within our strategic direction: Our occupational health and safety (OHS) practices aim to manage the health, safety, well-being and working capacity of our employees.

Board focus and priority: Our Company prioritises all aspects

of workplace health and safety, with a focus on primary hazards prevention and zero accidents goal.

Awareness building/ communication: We utilise various communication categories to build awareness and enhance communication, which includes verbal, electronic, printed, pictorial and social communication.

Team structure: Our capable leadership oversees a team of trained safety professionals who are dedicated to their roles.

Team engagement: Our belief is that every employee should have a sense of ownership and investment in the corporate safety culture.

Periodic reporting: We conduct regular risk assessments; we implement measures to mitigate hazards; we conduct periodic safety committee meetings.

Training: We conduct regular safety and health training across levels; each employee undergoes the training for at least a month.

Mock drills: Mock drills simulate a disaster to demonstrate how employees should react; conducted on-site, they cover all departments and are carried out throughout the year.

Social responsibility

How we are engaging with the community

Overview

Avadh Sugar is committed to corporate social responsibility (CSR), striving to expand in a socially and environmentally conscious manner while addressing stakeholder concerns. The Company's CSR initiatives are aligned with its core values, seeking to make a positive impact on the society and uphold

ethical and transparent business practices. These initiatives showcase a commitment to acknowledging and addressing the requirements of various stakeholders, including shareholders, employees, customers, suppliers, affected communities and society as a whole, thereby generating value for everyone involved.

CSR committee

Our Board's CSR Committee developed a CSR policy outlining planned activities. The Committee proposes estimated budgets for these activities to the Board, which are subsequently approved for implementation. The Committee oversees the execution of the policy.



Our CSR initiatives in 2023-24

Education initiatives: Avadh firmly believes in the transformative power of education to break the cycle of poverty and empower individuals. To support this conviction, the Company actively invests in educational programs aimed at enhancing access to and the quality of education for underprivileged communities.

Support for the medically disabled: Avadh extends assistance to medically disabled individuals by providing essential medical aid and backing healthcare initiatives that improve their quality of life.

Scholarships and stipends:

The Company offers stipends, scholarships and studentships to deserving students who demonstrate potential but lack the necessary resources. This initiative promotes an environment where talent and determination are nurtured, irrespective of economic backgrounds.

Infrastructure for pilgrims:

Recognising the cultural and spiritual needs of the community, Avadh contributes to the construction of buildings and facilities for pilgrims. This support enhances infrastructure in pilgrimage areas, facilitating better accommodation for visitors.

Our CSR spending (in ₹ Lakh)



Directors' Report

Dear Shareholders,

Your Board of Directors have pleasure in presenting the 10th Annual Report on the business & operations of the Company along with the Audited Financial Statements for the financial year ended 31st March, 2024.

1. FINANCIAL RESULTS

(₹ in lakhs)

	Year ended 31 st March, 2024		Year ended 31 st March, 2023	
Revenue from Operations (Gross)		2,69,351.44		2,79,801.49
Profit before Finance Costs, Tax, Depreciation and Amortization		33,351.62		26,402.50
Less: Depreciation & Amortization Expenses	5,528.52		5,111.96	
Finance costs	8,156.65		6,930.62	
Profit/(Loss) Before Tax		19,666.45		14,359.92
Less: Provision for Tax:		6,855.35		4,335.98
Profit/(Loss) After Tax		12,811.10		10,023.94

2. OPERATING PERFORMANCE

A detailed analysis of the Company's operations, future expectations and business environment has been given in the Management Discussion & Analysis Report and forms an integral part of this report marked as "Annexure A".

3. FINANCIAL PERFORMANCE 2023-24

During the year, the Company recorded Total Revenue of ₹2,69,697.70 Lakhs (including other income aggregating to ₹346.26 Lakhs). The Gross Revenue from Operations for the year 2023-24 stood at ₹2,69,351.44 Lakhs. The Profit before Finance Costs, Tax, Depreciation and Amortisation during the period under review stood at ₹33,351.62 lakhs representing 12.37% of the total revenue.

There is no change in the nature of business of the Company during the year under review. There were no significant or material orders passed during the year by regulators, courts or tribunals impacting the Company's operation in future.

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and date of this report.

4. DIVIDEND

Your Board of Directors has recommended a dividend of ₹10/- per equity share of ₹10/- each (100 %) for the financial year 2023-24 to the Members of your Company. The proposal is subject to the approval of the Members at the 10th Annual General Meeting (AGM) of your Company scheduled to be held on July 31, 2024. The dividend will entail a cash outflow of ₹2001.84 lakhs (previous year ₹2001.84 lakhs).

The Dividend Distribution Policy of the Company is available on the website of the Company and can be accessed at the weblink: <https://www.birla-sugar.com/Assets/Avadh/Avadh%20Sugar%20-%20Dividen%20Distribution%20Policy.pdf> There has been no change in this policy during the year under review

The Company proposes to retain its earnings and does not propose to transfer any amount to General Reserve.

5. PUBLIC DEPOSITS

During the year, the Company has not accepted any deposits from the public under Chapter V of the Companies Act, 2013 ("the Act"). There was no public deposit outstanding as at the beginning and end of the financial year 2023-24.

6. SHARE CAPITAL

During the year under review, the Authorized Share Capital of the Company stood at ₹170,05,00,000/- (Rupees One hundred seventy crore and five lakhs) divided into 5,60,50,000 (Five crore sixty lacs fifty thousand) Equity Shares of ₹10/- (Rupees ten) each; 8,00,00,000 (Eight crore) Preference Shares of ₹10/- and 34,00,000 (Thirty-four lacs) Preference Shares of ₹100/- each and there is no change in the authorised capital.

The Issued and Subscribed Share Capital of your Company, as on 31st March, 2024, stood at ₹20,01,84,200/- divided into 2,00,18,420 Equity Shares of ₹10/- each.

7. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE

The Company does not have any subsidiary company or any associate company or any joint venture with any person. However, the Company has in place a policy for determining material subsidiaries in line with the requirement of "Listing Regulations" as amended from time to time. The said Policy is being disclosed on the Company's website at the weblink <http://birla-sugar.com/Assets/Avadh/Avadh-Sugar-Policy-for-Determining-Material-Subsidiaries.pdf>

8. CREDIT RATING

India Ratings and Research - a Credit Rating Agency, has assigned the Company Credit Rating IND A+ Stable with respect to long-term bank facilities whereas short-term bank facilities rating has been assigned rating of IND A1.

9. HUMAN RESOURCES

The Company continues to create a productive, learning and caring environment by implementing robust and comprehensive HR processes, fair and transparent performance evaluation and taking new initiatives to further align its Human Resource policies to meet the growing needs of its business.

10. DIRECTORS

The Board of Directors comprises of seven Non-Executive Directors having experience in varied fields and a Whole time Director. Out of seven Non-Executive Directors, five are Independent Directors and two are Promoter Directors. Mrs Nandini Nopany is the Chairperson of the Company and Mr Chandra Shekhar Nopany is Co-Chairperson of the Company. The Board is duly constituted with

proper balance on Executive and Non-executive , Independent and Woman Directors.

All the Independent Directors have submitted declarations that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, the rules framed thereunder and the Listing Regulations. In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the names of all the Independent Directors of the Company have been included in the data bank maintained by the Indian Institute of Corporate Affairs.

The Board of Directors is of the opinion that the Independent Directors are persons of integrity with high level of ethical standards, they possess requisite expertise and experience for appointment as Independent Director of the Company.

Mr Chandra Shekhar Nopany, will retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment as Director of the Company.

Pursuant to Section 161 and other applicable provisions of the Act, read with Articles of Association of the Company, the Board of Directors at its meeting held on May 13, 2024, has appointed Mr. Amit Dalal (DIN: 00297603) as an Additional Director, to hold office till the ensuing Annual General Meeting. The same is being placed before the Members of the Company for approval.

Other information on the Directors including required particulars of Director retiring by rotation is provided in the Notice convening the Annual General Meeting.

A certificate obtained by the Company from a company secretary in practice, confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority, is enclosed as **Annexure "E"** to this Report.

11. KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of the Company as on 31st March, 2024 are as under:

Mr. Devinder Kumar Jain ceased to be the Company Secretary and Key Managerial Personnel

of the Company from close of business hours on August 31, 2023. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Ms. Vijaya Agarwala as Company Secretary and Key Managerial Personnel of the Company with effect from November 9, 2023.

- a) Mr. Devendra Kumar Sharma, Whole time Director
- b) Mr. Dilip Patodia, Chief Financial Officer
- c) Ms. Vijaya Agarwala, Company Secretary

All Directors, Key Managerial Personnel and Senior Management of the Company have confirmed compliance with the Code of Conduct of the Company. There has been no change in this policy during the year under review. The Code is available on the Company's website at the weblink <http://birla-sugar.com/Assets/Avadh/Avadh-Sugar-Code-of-Conduct.pdf>

12. FAMILIARISATION PROGRAMME

Periodic presentations are made at the Board Meetings, business, performance updates & business strategy of the Company. The details of the familiarisation programme (other than through meeting of Board and its Committees) imparted to Independent Director are uploaded on the website of the Company and available at the weblink- <http://www.birla-sugar.com/Assets/Avadh/Familiarisation%20Programme.pdf>

13. REMUNERATION POLICY

In pursuance of the provisions of Section 178 of the Act and the Listing Regulations, the Company has formulated a Remuneration Policy which is available at the website of the Company at the weblink <http://www.birla-sugar.com/Assets/Avadh/ASEL-Nomination-and-Remuneration-Policy.pdf>

14. CORPORATE SOCIAL RESPONSIBILITY POLICY

Your Company believes in long term strategy to contribute to the well-being and development of the society especially the rural population around its plants at Hargaon, Hata, Rosa & Seohara. As part of its CSR initiatives, the Company is working mainly in the areas of imparting School Education, Technical & Vocational Education, Rural Development, Community Healthcare etc. This multi-pronged CSR approach is showing notable improvement in the quality of life of rural population. The Company

continues to support local initiatives to improve infrastructure as well as support in other corporate social responsibilities. The CSR Policy as approved by the Board is available on Company's weblink <http://birla-sugar.com/Assets/Avadh/Avadh-Sugar-CSR-Policy.pdf>

The composition and terms of reference of Corporate Social Responsibility Committee are given in the Corporate Governance Report. For the purpose of Section 135 of the Companies Act, 2013, the amount equivalent to 2% of the average net profits of the Company made during the immediately preceding three financial years works out to ₹274.96 lakhs. As against this, the Company had spent ₹278.96 lakhs on CSR projects / programs during the Financial Year 2023-24.

The Annual Report on CSR activities (including the details of the development and implementation of the Corporate Social Responsibility Policy) as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as "Annexure I" to this Report.

15. BOARD MEETINGS

A calendar of Meeting is prepared and circulated in advance to the Directors. The Board evaluates all the decisions on a collective consensus basis amongst the Directors. During the financial year ended 31st March 2024, 5 (Five) Meetings of the Board of Directors of the Company were held. The details of the Board Meetings held during the year under review are given in the Corporate Governance Report forming a part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

Other information on the Directors and the Board Meetings is provided in the Corporate Governance Report attached as Annexure "B" to this Report.

The Company has complied with the applicable Secretarial Standards prescribed under Section 118(10) of the Companies Act, 2013.

18. INTERNAL COMPLAINTS COMMITTEE

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

19. LOANS, GUARANTEE AND INVESTMENTS

It is the Company's policy not to give any loans, directly or indirectly, to any person (other than to employees under contractual obligations) or to other body corporate or person. In compliance with Section 186 of the Companies Act, 2013, loans to employees bear applicable interest rates. During the year under review, the Company has not made any investment in securities of other body(ies) corporate. The details of Investments, Loans and Guarantees covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

20. RELATED PARTY CONTRACTS / ARRANGEMENTS

All Related Party Transactions entered during the year were on arm's length basis and in the ordinary course of business. There have been no materially-significant related party transactions made by the Company with the Promoters, the Directors or the Key Managerial Personnel which may be in conflict with the interests of the Company at large. Accordingly, disclosure of contracts or arrangements with Related Parties as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

The Policy on Related Party Transactions as approved by the Board can be accessed on the Company's website at following web-link <https://www.birla-sugar.com/Assets/Avadh/Avadh-Sugar-Related-Party-Transaction-Policy-.pdf>

The details of related party transactions are set out in the notes to the financial statements.

21. RISK MANAGEMENT

In line with the regulatory requirements, the Company has formally framed Risk Management Policy to identify and assess the key risk areas, monitor and report the compliance and effectiveness of the same. A Risk Management Committee, is in place comprising of two Independent Directors, Whole time Director, Chief Financial Officer and the Advisor to oversee the risk management process in the Company with an objective to review the major risks which effect the Company from both the external and the internal environment perspective. Appropriate actions have been initiated to either mitigate, partially mitigate, transfer or accept the risk (if need be) and monitor the risks on a regular basis. The details of the terms of reference, number and date of meeting, attendance of director and

remuneration paid to them are separately provided in the Corporate Governance Report.

22. INTERNAL FINANCIAL CONTROLS

The Company has laid down internal financial control's, through a combination of Entity level controls, Process level controls and IT General controls inter-alia to ensure orderly and efficient conduct of business, including adherence to the Company's policies and procedures, accuracy and completeness of accounting records and timely preparation and reporting of reliable financial statements/information, safeguarding of assets, prevention and detection of frauds and errors. There is a robust system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively. The directors confirm that, for the preparation of financial statements for the financial year ended March 31, 2024, the applicable Accounting Standards have been followed and the internal financial controls are generally found to be adequate and were operating effectively & that no significant deficiencies were noticed.

23. WHISTLE BLOWER / VIGIL MECHANISM

The Company has and adopted whistle blower policy, pursuant to which whistle blowers can report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct policy. The mechanism provides adequate safeguards against victimisation of persons who use this mechanism. The brief detail about this mechanism may be accessed on the Company's website at the weblink <http://www.birla-sugar.com/Assets/Avadh/Avadh-Sugar-Whistle-Blower-Policy-.pdf>

During the year under review, no disclosure concerning any reportable matter in accordance with the Policy, was received by the Company.

24. CORPORATE GOVERNANCE & ANNUAL RETURN

Your Directors strive to maintain highest standards of Corporate Governance. The Corporate Governance Report for the Financial Year 2023-24 is attached as "Annexure B" to this Report. All the Directors of the Company and senior management personnel have confirmed the compliance of Code of Conduct of the Company. The declaration of the Whole-time Director confirming compliance with the 'Code of Conduct' of the Company is enclosed as "Annexure C" to this Report and Auditor's Certificate

confirming compliance with the conditions of Corporate Governance is enclosed as "Annexure D" to this Report

A copy of annual return of the Company is available on the website of the Company at the weblink: <https://www.birla-sugar.com/Avadh-Shareholders-Info/Annual>Returns-Avadh>

25. RESEARCH & DEVELOPMENT

During the year under review the Company has undertaken Research & Development initiatives with an intention to improve the sugar recovery ratio and to educate the cane growers to cultivate improved variety of sugarcane and to otherwise increase the sucrose contents in their produce.

26. AUDITORS, AUDIT QUALIFICATIONS AND BOARD'S EXPLANATIONS

STATUTORY AUDITORS

The shareholders of the Company, at their AGM held on July 20, 2022, had appointed Messrs S R Batliboi & Co LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005), as Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of the Eighth AGM of the Company held on July 20, 2022 till the conclusion of the Thirteenth AGM of the Company.

There has been no qualification, reservation, adverse remark or disclaimer in the Auditor's Reports.

The Notes to the Financial Statements read with the Auditor's Reports are self-explanatory and therefore, do not call for further comments or explanations.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Sugar activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed Mr Somnath Mukherjee, Cost Accountant, as the Cost Auditor to audit the cost accounts of the Company for the financial year 2024-25.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board of Directors had appointed Messrs Vinod Kothari & Co., Practising Company Secretaries to undertake the Secretarial Audit of the Company

for the financial year 2023-24. The Secretarial Audit Report is annexed herewith as "Annexure F" and which is self-explanatory.

There has been no qualification, reservation, observation, disclaimer or adverse remark in the Secretarial Audit Report.

During the year, the auditors, the secretarial auditors and cost auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

27. INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company was not required to transfer any unclaimed/unpaid dividend and shares to IEPF.

The details of unclaimed/unpaid dividends are available on the website of the Company at <https://www.birla-sugar.com/Avadh-Shareholders-Info/Unclaimed-Dividend-Avadh>

28. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The requisite information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure G".

29. PARTICULARS OF EMPLOYEES

The human resource is an important asset which has played pivotal role in the performance and growth of the Company over the years. Your Company maintains healthy work environment and the employees are motivated to contribute their best in the working of the Company. The information required to be disclosed in pursuance of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as "Annexure H" to this Report.

30. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note 3 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit or loss of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

31. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

In pursuance of the provisions of the Listing Regulations, the Business Responsibility & Sustainability Report for the financial year 2023-24 describing the initiatives taken by the Company from

environmental, social and governance perspective forms part of the Annual Report.

32. CEO/CFO CERTIFICATION

Mr. Devendra Kumar Sharma, the Whole time Director and Mr. Dilip Patodia, Chief Financial Officer have submitted certificates to the Board as contemplated under Regulation 17(8) of the SEBI (LODR) Regulations, 2015.

33. ACKNOWLEDGEMENT

Your Directors take this opportunity of recording their appreciation of the shareholders, financial institutions, bankers, suppliers and cane growers for extending their support to the Company. Your Directors are also grateful to various ministries in the Central Government and State Governments of Uttar Pradesh, the Sugar Directorate and the Sugar Development Fund for their continued support to the Company. The Board of Directors also convey its sincere appreciation of the commitment and dedication of the employees at all levels.

For and on behalf of the Board

Chandra Shekhar Nopany
Co-Chairperson
DIN - 00014587

Kolkata
Dated 13th May, 2024

Annexure A

Management Discussion & Analysis

Economic Outlook:

Global Economy

The global economy continues to exhibit resilience, navigating through several challenges including the ongoing repercussions of the COVID-19 pandemic, geopolitical tensions spurred by Russia's invasion of Ukraine, and widespread cost-of-living pressures. Notably, inflation has been receding more swiftly than initially projected, thanks to favourable supply-side factors and effective central bank policies, which have helped stabilize inflation expectations. In the latter part of 2023, major economies like the United States have experienced stronger-than-expected growth, driven by robust government and private sector spending, and improvements in real disposable income. Despite these gains, economic growth in the euro area remains tepid, hampered by weak consumer confidence and other inhibiting factors. While the global inflation rate is declining, the persistence of elevated interest rates and the scaling back of fiscal stimulus are expected to moderate economic expansion in the near term. (Source: IMF)

Outlook

The Global Growth Outlook for 2024 and 2025, the global economic landscape remains resilient yet faces subdued growth prospects. The International Monetary Fund (IMF) projects global growth at 3.1% for 2024 and 3.2% for 2025, which marks a slight uptick from 2023 but remains below the long-term historical average of 3.8%. This moderated growth forecast is primarily due to high central bank rates aimed at combating inflation, the phased withdrawal of fiscal support, and ongoing sluggishness in productivity across sectors.

Advanced economies are expected to see marginal growth fluctuations, with a slight dip in 2024 followed by a rebound in 2025. This fluctuation reflects varied economic recoveries and adjustments across different regions. Despite a general trend towards stabilization, global trade growth is anticipated to linger below historical norms, pressured by rising geopolitical tensions and ongoing global trade fragmentation.

Deloitte highlights those economic conditions, particularly in Central Europe, are showing divergent trends, with some regions like Poland demonstrating robust economic resilience compared to Germany. This divergence

emphasizes the localized impacts of broader economic trends, including trade relations and fiscal policies.

Overall, the global economic environment is navigating through complex challenges, with central banks playing a pivotal role in steering towards a stable yet cautious growth trajectory. As inflation expectations adjust in response to policy measures and supply-side dynamics, businesses and policymakers must remain agile, ready to respond to fast-evolving economic conditions.

Growth Outlook of Major Economies

Regional growth (%)	2025	2024	2023
World output	3.2	3.2	3.2
Advanced economies	1.8	1.7	1.6
Emerging and developing economies	4.2	4.2	4.3

(Source: UNCTAD, IMF)

Performance of major economies, 2023

United States: Reported GDP growth of 2.5% in 2023 compared to 1.9% in 2022

China: GDP growth was 5.2% in 2023 compared to 3% in 2022

United Kingdom: GDP grew by 0.4% in 2023 compared to 4.3% in 2022

Japan: GDP grew 1.9% in 2023 unchanged from a preliminary 1.9% in 2022

Germany: GDP contracted by 0.3% in 2023 compared to 1.8% in 2022

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

Outlook: Asia is expected to continue to account for the bulk of global growth in 2024-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high inflation and monetary tightening, growth around previous levels for the next two years

(Source: World Bank, International Monetary Fund | April 2024)

Indian Economy

The Indian economy demonstrated a robust recovery in FY23, positioning it as the fifth largest globally. For FY24,

the IMF has forecasted a growth rate of 6.8% for India, driven by strong domestic demand and governmental capital expenditures. Service exports have also shown substantial growth, contributing to a resilient economic outlook (IMF).

Looking ahead, the growth is expected to continue being supported by significant government spending

on infrastructure, enhancements in the digital and tax infrastructure, and a boost in consumer spending linked to the growing middle class. Despite these positive indicators, challenges such as rising household debt and potential inflationary pressures due to volatile oil and food prices could pose risks to the sustainability of growth (IMF) (Deloitte United States)

Growth of the Indian economy

	FY 21	FY 22	FY23	FY24
Real GDP growth (%)	-6.6%	8.7	7.2	8.2

E: Estimated

Growth of the Indian economy quarter by quarter, FY 2023-24

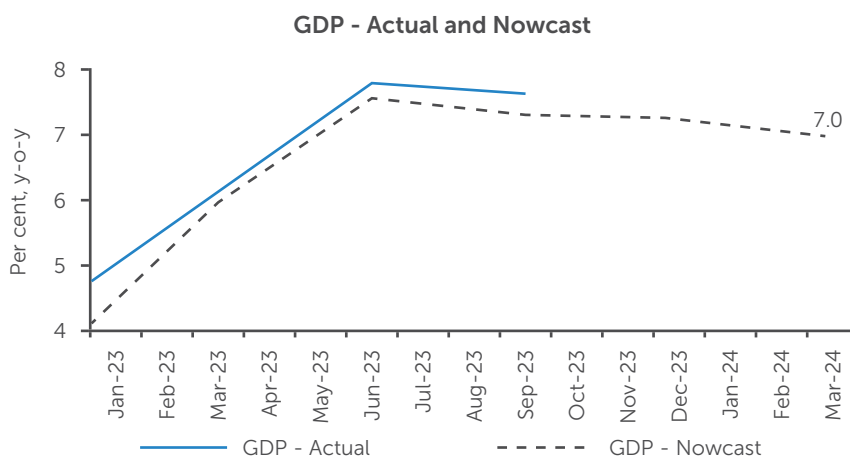
	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Real GDP growth (%)	8.2	8.1	8.4	7.8

(Source: Budget FY24; Economy Projections, RBI projections, Deccan Herald)

The Interim Union Budget for FY 2024-25 in India remains focused on capital expenditure with significant investments in infrastructure, solar energy, tourism, medical ecosystems, and technology. The Ministry of Defence received the highest allocation at 6,21,541 crore, representing 13% of the central government's total budgeted expenditure, with other major allocations including Road Transport and Highways (5.8%), Railways (5.4%), and Consumer Affairs, Food and Public Distribution (4.5%). Overall, the top 13 ministries accounted for 54%

of the total expenditure, underlining the government's strategy to bolster economic growth through targeted spending in crucial sectors. (Source: Ministry of Finance's official documents)

India's strong economic performance is attracting increased investor confidence, positioning it as a promising destination for global investments. The emphasis on digitalization and reform in tax systems is expected to further bolster economic resilience and efficiency, ensuring sustained growth in the coming years.



Source: RBI Bulletin

Global Sugar Industry

Overview

The global sugar market is experiencing growth, primarily driven by increasing consumption in the food and beverage sector, alongside rising demand in the pharma and personal care industries. White sugar dominates the market due to its versatility in various culinary applications, while brown sugar is gaining popularity for its perceived health benefits and unique flavour, appealing to health-conscious consumers. The Asia-Pacific region leads in consumption, substantial demand in countries like India and China, fuelled by rising incomes and changing dietary patterns.

In terms of production, sugarcane remains the predominant source, especially in tropical regions, benefiting from ideal growing conditions. Technological advancements in agriculture are enhancing sugarcane's yield and quality, bolstering supply to meet the robust global demand. The sugar market is also seeing a trend towards sustainability, with major producers investing in more environmentally friendly practices and exploring organic and non-GMO sugar options to cater to consumer preferences for natural products.

Source: Grand View Research, Expert Market Research and IMARC

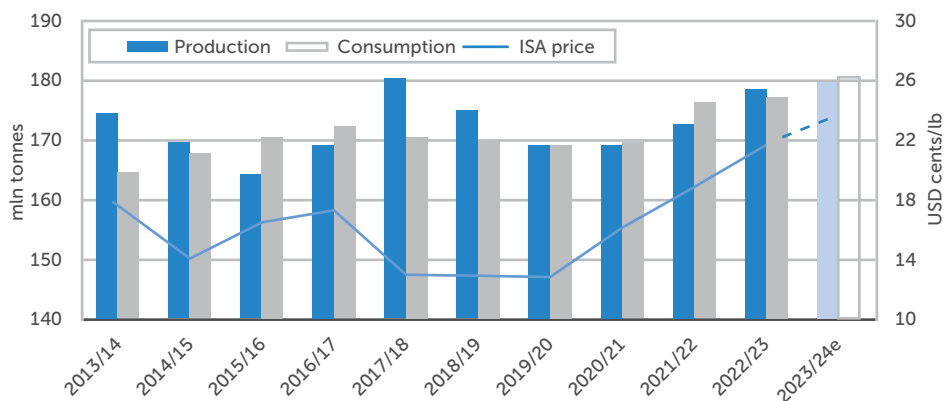
Particulars	2023/24	2022/23	Change in Mn Tonne	Change in %
Production	179.749 ↑	178.165	1.584	0.89
Consumption	180.438 ↑	177.857	2.581	1.45
Surplus/Deficit	-0.689 ↑	0.308		
Import demand	67.359 ↑	66.518	0.841	1.26
Export availability	67.077 ↑	66.639	0.438	0.66
End Stocks	98.581 ↓	98.988	-0.407	-0.41
Stocks/Consumption ratio in %	54.63 ↓	55.66		

Source: ISO – Quarterly Market Outlook, February 2024

Production

The global sugar production for the 2023-24 season is projected to increase, reaching 179.794 million tonnes, marking a rise of 1.584 million tonnes from the previous season. This uptick is primarily driven by a significant increase in production in Brazil, along with notable gains in the EU and Russia. Conversely, Thailand is facing a notable decline in production. The overall production from beet-growing countries, particularly in the EU, Russia, Ukraine, and Turkey, is expected to rise. However, cane sugar production is facing downward revisions, largely due to the significant reduction in Thailand. Despite Brazil's production boost, the total output from net-exporting countries is experiencing a slight decline. Import requirements remain substantial across the globe, reflecting a continued reliance on imported sugar to meet international demand, with a net import figure of 51.675 million tonnes. These dynamics highlight the complex interplay of regional and global factors affecting the sugar market for the 2023/24 season (ISOSugar).

World Production, Consumption and ISA Prices



Source: ISO - Quarterly Market Outlook, February 2024

Consumption

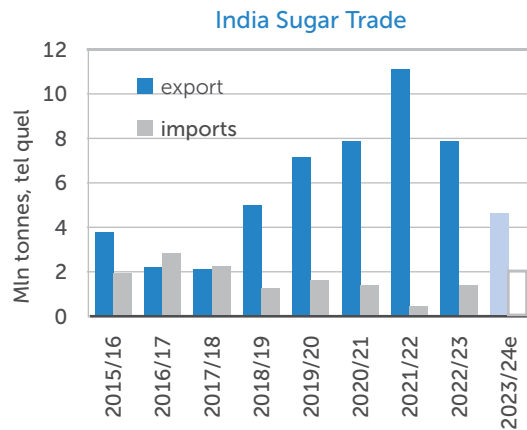
The global sugar consumption for the 2023-24 season has reached a significant milestone, surpassing 180 million tonnes for the first time. This marks a notable increase from previous years, where consumption hovered around 170 million tonnes with minimal fluctuations. The last three seasons have seen a dramatic surge in consumption, growing at an average annual rate of approximately 1.45%. This surge is partly attributed to the recovery and changes in consumption patterns following the COVID-19 pandemic. The latest forecasts highlight that global consumption continues its upward trend, driven by population growth and increased sugar requirements across various regions.

Export

In the 2023/24 sugar export market, global exports are anticipated to rise to 67.077 million tonnes, with Brazil playing a pivotal role in this increase. Brazil's sugar exports

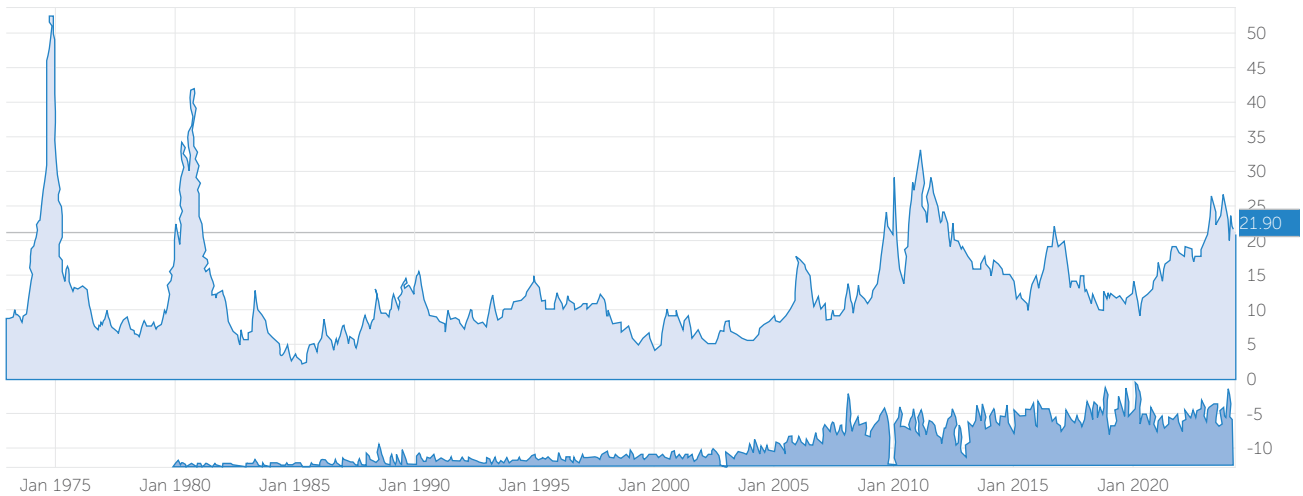
are expected to jump to 32.4 million tonnes, up from 30.618 million tonnes in the previous cycle. This increase is primarily due to a larger surplus of exportable sugar and enhanced production capabilities. Brazil continues to focus predominantly on raw sugar exports, utilizing bulk loading methods to manage logistical challenges effectively.

Among the world's top sugar exporters, Brazil is the only one projected to increase its exports significantly this season. Other major exporters like Australia and South Africa are also concentrating on raw sugar, while many are opting to export bagged white sugar, reflecting differing market strategies based on regional demands and logistical considerations. Despite these increases, the market for white sugar remains tight, suggesting a strained global balance compared to the availability of raw sugar (USDA Foreign Agricultural Service) (USDA Foreign Agricultural Service) (USDA Foreign Agricultural Service).



Global Sugar Price Scenario:

Global sugar prices have risen to near-decade highs, influenced by a mix of lower production forecasts in key producing countries like India and trade uncertainties, including speculation about India's export restrictions for the 2023-24 sugar season. The production decreases are partly attributed to adverse weather conditions, which have impacted sugar yields. Furthermore, the Indian government's cautious stance on sugar exports to ensure domestic availability has contributed to the tightness in global sugar supply, adding upward pressure on prices. These dynamics are echoed by reports from the International Sugar Organization and Chini Mandi, highlighting a globally tight sugar market due to decreased production and potential export restrictions from major producers like India.



Source: Investing.com

Domestic Sugar Industry

Overview

India's leadership role as the chair of the International Sugar Organisation (ISO) for 2024 highlights its substantial influence in the global sugar market. India is the largest consumer and the second-largest producer of sugar globally, which positions it uniquely to guide international sugar policies and practices. During its tenure as chair, India aims to promote sustainable practices across the sugar industry, reflecting its commitment to green energy and effective resource management.

The domestic sugar industry in India has demonstrated significant growth and resilience, especially noted during the COVID-19 pandemic. The country has managed to maintain stable sugar prices domestically despite global price hikes, attributing to its efficient market regulation and support to the farming community. India also leads in ethanol production, having achieved a 12% ethanol blending rate in 2022-23, up from 5% in 2019-20, which showcases its progressive shift towards reducing reliance on fossil fuels.

For the 2023-24 sugar season, India projects a significant production surplus. This surplus management is facilitated by an increase in ethanol production, supported by

favorable government policies that have helped stabilize sugar prices and clear cane dues efficiently. These efforts are part of a broader strategy to enhance the sustainability and profitability of the sugar industry while supporting the economic interests of farmers.

India's proactive global engagement and leadership in sugar and ethanol production underscore its pivotal role in shaping future trends in the sugar sector worldwide.

Production: As of the end of March 2024, the number of sugar mills that have closed their crushing operations in India stands at 322, down from 346 the previous year. This change reflects a more efficient operation across the remaining 532 active mills. The total sugar production for the season as of March 2024 is approximately 302.02 lakh tonnes, indicating a slight increase compared to the previous season's figures 300.77 lakh tonnes (ISMA).

Production: As of the end of March 2024, the number of sugar mills that have closed their crushing operations in India stands at 322, down from 346 the previous year. This change reflects a more efficient operation across the remaining 532 active mills. The total sugar production for the season as of March 2024 is approximately 302.02 lakh tonnes, indicating a slight increase compared to the previous season's figures 300.77 lakh tonnes (ISMA).

Sl. No.	State	No. of Working Factories		Actual Sugar Production (after Diversion into ethanol)	
		2023-24	2022-23	2023-24	2022-23
1	Uttar Pradesh	75	97	97	89
2	Maharashtra	67	11	107	104
3	Karnataka	4	4	50	55
4	Others*	64	75	48	51
Total		210	187	302	301

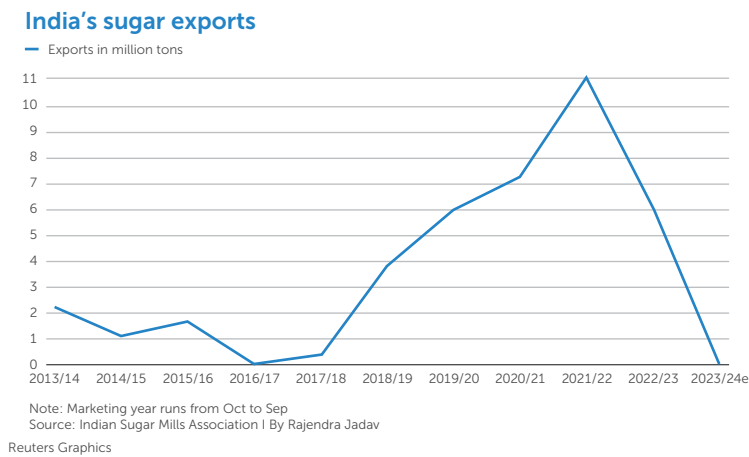
Source: ISMA

Indian Sugar Balance Sheet

Particulars	2023-24 (E)
Opening balance as on October 1 (LMT)	56
Sugar Production (LMT)	320
Domestic consumption (LMT)	285
Sugar exports (LMT)	0
Closing balance as on September 30 (LMT)	91

Source: ISMA, *after verification of stocks by the Government.

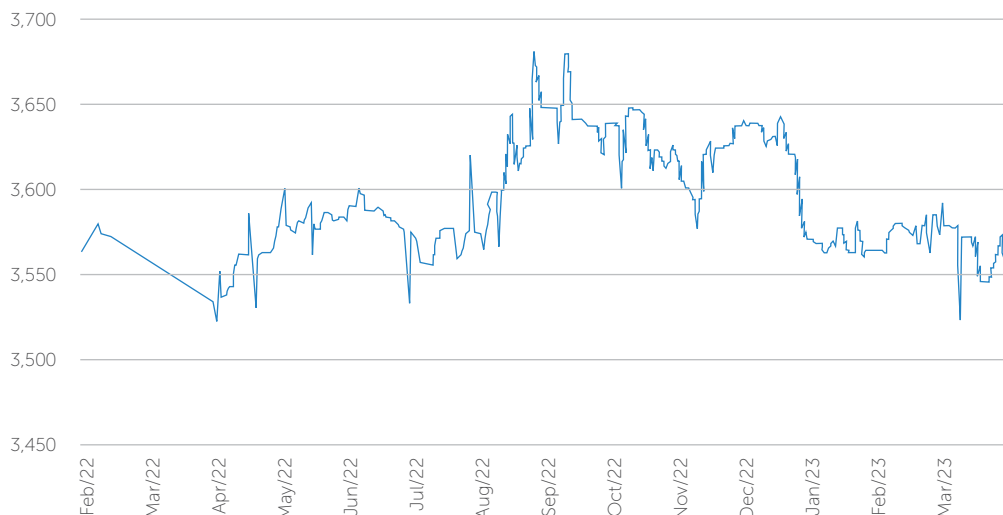
Export: At the beginning of the 2023-24 sugar season, India had imposed export restrictions, anticipating a tight supply. However, recent developments suggest an unexpected surplus in sugar production. Despite this excess, the potential for converting surplus sugar into ethanol is limited due to existing production configurations. Additionally, the government has imposed monthly sales quotas for mills, which has further complicated the ability to expedite exports. As the season concludes, the focus may shift to managing the surplus, either through storage or cautious export strategies to prevent market oversupply.



Sugar Price Scenario: The surge in global sugar prices has affected the Indian market as well, where sugar prices have seen significant fluctuations. Concerns over lower production in key sugar-producing countries, including India, combined with potential export restrictions, have led to a rise in domestic sugar prices. This situation is compounded by India's considerable influence in the global sugar market as one of the largest producers.

Uncertainties about the government's decision on sugar exports for the 2023-24 season have further exacerbated price volatility, reflecting the tight global supply scenario. Reports from sources like the International Sugar Organization and Chini Mandi highlight these trends, indicating a challenging period for sugar pricing in both the international and Indian markets.

Indian Sugar Price



Policy And Market Developments

Recent policy developments in India's sugar industry highlight a multifaceted government strategy aimed at bolstering this critical sector, with a significant focus on the Ethanol Blending Program (EBP). The EBP seeks to achieve a 20% blending of ethanol in petrol by 2025-26, promoting the use of ethanol derived from sugarcane. This initiative is designed not only to enhance the viability of the sugar sector but also to align with environmental objectives by reducing the reliance on fossil fuels and lowering greenhouse gas emissions.

Beyond ethanol production, the government's support includes various incentives such as subsidies for the sugar sector, especially for cane farmers, to stabilize income and cushion against market fluctuations. Additionally, the government has enforced regulatory measures to ensure fair practices and promote efficiency within the sector. These comprehensive strategies demonstrate a robust framework to foster growth and sustainability in the sugar industry, reflecting its integral role in India's agricultural and energy sectors.

In response to the financial challenges faced by sugarcane farmers and rising cultivation costs, the Commission for Agricultural Costs and Prices (CACP) has introduced a dual pricing policy for sugarcane, encompassing both the Fair and Remunerative Price (FRP) and the State Advised Price (SAP). These adjustments in SAP are part of a broader effort by state and central governments to bolster the agricultural sector and provide significant support to farmers navigating the complexities of sugarcane production.

To address specific economic pressures:

FRP Hike for Sugarcane: For the sugar season 2023-24, the FRP has been increased to ₹315 per quintal from the previous season's ₹305, with a further increase to ₹340 per quintal planned for 2024-25. This adjustment aims to support approximately 5 crore sugarcane farmers and their families across India.

SAP Hike for Sugarcane: Several Indian states have updated their State Advised Prices (SAP) for the 2023-24 sugar season to align with economic objectives and support sugarcane farmers. Likewise, Uttar Pradesh, for instance, has increased the SAP for early maturing sugarcane varieties from ₹350 to ₹370 per quintal, for common varieties from ₹340 to ₹360 per quintal, and for unsuitable varieties from ₹335 to ₹355 per quintal. Similarly, these adjustments are part of a coordinated effort to ensure that sugarcane pricing policies are responsive to the evolving needs of the farming community, thereby contributing to their financial stability and security.

Minimum Selling Price for Sugar: Due to the lack of shelf life, sugar mills are compelled to sell their produce at prevailing market prices during the cane-crushing season, often disregarding the forces of demand and supply. To address this, the central government introduced a Minimum Selling Price (MSP) for sugar in 2018. This measure ensures that sugar mills receive at least the minimum cost of sugar production, enabling them to settle the sugarcane dues owed to farmers. Despite regular increases in the Fair and Remunerative Price (FRP) and State Advised Price (SAP) for sugarcane, the MSP for sugar has remained stagnant over the years. This discrepancy has led to a situation where sugar is often sold at prices below production costs, affecting the financial viability of sugar mills.

Capex Incentives for Ethanol Production: These government policies encourage capital expenditure in ethanol production, featuring subsidies and tax benefits to enhance the EBP and reduce reliance on imported oil.

Export Duty on Molasses: Imposed starting January 18, 2024, a 50% export duty on molasses aims to retain more for domestic ethanol production, supporting the government's blending targets.

These policy initiatives are structured to ensure that the sugar industry remains economically viable while contributing to broader national goals related to energy security and environmental sustainability.

Ethanol Industry

The Ethanol Industry in India is progressing towards an ambitious target set by the Government of India to achieve 20% ethanol blending with petrol by 2025-26. To meet this goal, India needs to significantly enhance its ethanol production capabilities. As of late 2023, the country's ethanol production capacity stood at approximately 1380 crore liters, with a strategic aim to increase this capacity to cater to the projected demand for ethanol, which includes around 1016 crore liters required solely for blending purposes.

The government has implemented several ethanol interest subvention schemes from 2018 to 2022, facilitating the establishment and expansion of both molasses-based and grain-based distilleries. These schemes offer financial incentives, including interest subvention, to encourage investments in ethanol production infrastructure.

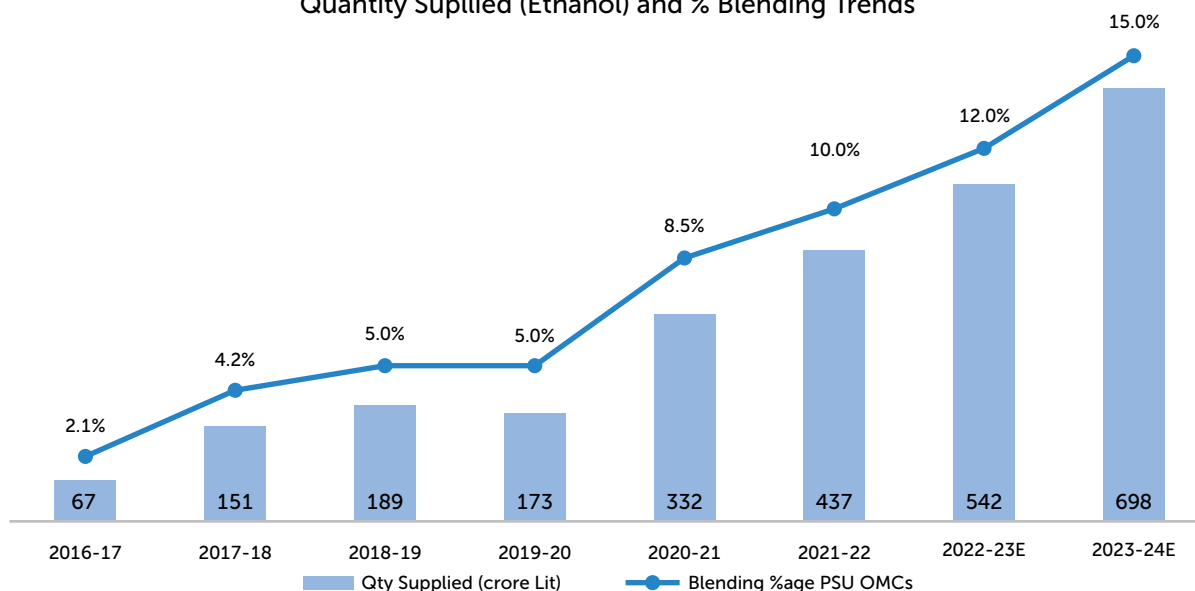
For the Ethanol Supply Year (ESY) 2023-24, spanning from November 2023 to October 2024, the Oil Marketing Companies (OMCs) issued a tender inviting bids for 825 crore liters of ethanol, aiming to increase the blending percentage to 15%. This initiative demonstrates the government's commitment to reducing import

dependency on fuel, enhancing energy security, supporting the domestic agriculture sector, and addressing environmental concerns.

These efforts have also resulted in improved cash flows for sugar mills, enhancing their capacity to make prompt

payments to cane farmers. This financial stability is crucial for the sustainability of the sugar sector and the livelihood of farmers. The increased production of ethanol has concurrently led to a reduction in petrol or crude oil imports, saving a significant amount in foreign exchange for the country and further securing India's energy needs.

Quantity Supplied (Ethanol) and % Blending Trends



Company Performance

Overview

Avadh Sugar & Energy Limited, a vibrant entity within the prestigious K. K. Birla Group of Sugar Companies, embodies over seven decades of industry expertise. The company's foundations trace back to 1932, with its formal inception occurring in 2015 through various strategic mergers and demergers. As an integrated sugar player, Avadh is involved in the production of sugar, spirits, ethanol, and other by-products including cogeneration and sanitizer. Strategically situated in Uttar Pradesh, India's largest sugarcane-producing state. Avadh operates four advanced sugar mills with a combined licensed crushing capacity of 39000 TCD. Additionally, the company maintains distilleries with a total capacity of 325 KLPD and cogeneration facilities capable of producing 87 MW, solidifying its status for exceptional efficiency and recovery rates across India for the last two years.

Segmental Performance

Particulars	Sugar	
	FY24	FY23
Sugar cane Crushed (Lakh tonnes)	61.90	56.90
Sugar Recovery (%) (C Equivalent)	11.24	11.23
Segmental Revenue (₹ Crore)	2502	2713
PBIT (₹ Crore)	160	122
Production Qty (In Lakh tonnes)	6.40	5.32
Sales Qty (In Lakh tonnes)	5.09	5.73
Average Realisation (Rs/ Lakh tonnes)	373	348

Segmental Performance

Particulars	Distillery (Ethanol)	
	FY24	FY23
Segmental Revenue (₹ Crore)	586	560
PBIT (₹ Crore)	123	113
Production Qty (In Lakh Litres)	990.75	929.79
Sales Qty (In Lakh Litres)	950.71	900.64
Average Realisation (Rs)	61.58	62.16

Segmental Performance

Particulars	Co-Generation (Power)	
	FY24	FY23
Segmental Revenue (₹ Crore)	201	208
PBIT (₹ Crore)	10	(2)
Production Qty (In Lakh Units)	2695	2437
Sales Qty (In Lakh Units)	1741	1607
Average Realisation (Rs)	3.40	3.19

Ratio Analysis

Key Financial Ratios and details of significant changes therein (i.e. change of 25% or more in comparison to the previous financial year).

Ratio	FY 24	FY 23	Reason for change of 25% or more
Debtors Turnover	44.71	35.34	26.53% Due to increase in average Trade Receivable
Inventory Turnover	1.65	2.13	
Interest Coverage Ratio	3.41	3.07	
Current Ratio	1.05	1.00	
Debt Equity Ratio	1.28	1.20	
Operating Profit Margin (%)	0.12%	0.09%	33.33% Due to increase in Operating Profit
Net Profit Margin (%)	0.05%	0.04%	32.74% Due to increase in Net Profit
Return on Net worth	0.12%	0.11%	

Risk Management

Risk management at Avadh Sugar & Energy Limited is a comprehensive and integral part of the company's operations. The Risk Management Committee, established under the Board of Directors, is responsible for setting risk

policies and overseeing the process of risk evaluation and mitigation. This committee ensures that risk management, internal controls, and assurance processes are deeply embedded in all company activities, allowing for effective identification and mitigation strategies across all business segments.

Internal auditors play a crucial role in monitoring the effectiveness and adequacy of the company's internal control systems. They assess compliance with legal and regulatory requirements, evaluate the efficacy of operating systems, and ensure adherence to accounting procedures and policies across all company offices. Their findings are directly reported to the Audit and Risk Management Committee, ensuring transparency and accountability.

To address structural risks such as sugar price volatility, low sugar recovery, and the State Advised Price fixation by the government, Avadh employs a variety of strategies. These include conducting research and development, organizing seminars to educate farmers on efficient harvesting practices, and enhancing operational efficiency at their facilities. These measures help increase cane yields, improve sugar recovery rates, and equip the company to effectively navigate industry risks and challenges. Through these proactive approaches, Avadh Sugar & Energy Limited continuously strengthens its risk management framework, enhancing its resilience against potential disruptions and ensuring sustained business growth.

Human Resources and Industrial Relations

The Company believes that its employees are crucial to its success and is dedicated to equipping them with

the necessary skills to keep up with technological advancements. In the past year, it held various training programs covering technical, behavioral, business, leadership, customer service, safety, and ethical skills. The Company had a workforce of 2020 as of March 31, 2024.

Corporate Social Responsibility

We demonstrate environmental and social responsibility at every step. We aim to benefit the communities around us – workforce, public and environment. We organise regular medical camps, give free medicines and also any emergency medical equipment required by the deprived. We are sowing the seeds for a budding nation by providing education to the underprivileged children and giving them access to free books. We consider ourselves responsible for the environment around us and consciously take efforts for its upliftment.

Cautionary Statement

The Management Discussion and Analysis section of our report includes several statements that outline the Company's objectives, predictions, and expectations, as well as our assessments of macroeconomic conditions. These statements are considered "forward-looking" and are based on the current forecasts and assumptions of management. However, actual results may vary from these projections due to a range of uncertainties and factors. These factors include but are not limited to fluctuations in global supply and demand, changes in macroeconomic policies, new regulatory impacts, and variations in pricing strategies. The Company does not assume responsibility for any discrepancies between projected and actual outcomes, as these forward-looking statements may be subject to change based on subsequent developments and events.

Annexure B

Report on Corporate Governance

1. Company's Philosophy

Avadh Sugar & Energy Limited (ASEL), a part of K K Birla Group of Sugar Companies, is of the firm conviction that Corporate Governance in essence refers to the rules, procedures, values, systems or laws by which businesses are operated, regulated, and controlled. A well-defined and enforced corporate governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well to formal laws. Accordingly the Board of ASEL manages its business ethically and in a transparent manner with the profit objective balanced by long term value equitably for all stakeholders which term includes every one ranging from the board of directors, management, shareholders, cane growers, customers, employees and society at large.

Given the fact that the business operations of ASEL is well diversified, sound governance practices are indispensable for it to build and sustain trust in all its stakeholders. ASEL is committed to run its business in a legal, ethical and transparent manner with dedication that originates from the very top and permeates throughout the organization. Besides adhering to the prescribed corporate practices as per the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") from time to time, it voluntarily governs itself as per highest ethical and responsible standards of business.

This chapter, along with the chapters on Management Discussion and Analysis and Shareholders information, reports ASEL's compliance with the Listing Regulations highlighting the additional initiatives taken in line with international best practices.

Corporate Governance Philosophy

ASEL's philosophy is to constantly achieve business excellence and optimize long term value through ethical business conditions. Being a value driven organization ASEL envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it has an impact on. Strong Governance practices by the Company have boosted the level of stakeholder's confidence testified by improved performance and various recognitions achieved by the Company. This has helped ASEL to pay uninterrupted value based services to all its stakeholders.

The corporate governance structure in the Company ensures that its Board of Directors is well informed and well equipped to fulfill its overall responsibility by way of providing strategic direction to the senior management, employees, etc. which is the backbone of the ability to meet the aspirations of all stakeholders.

ASEL's initiatives towards adhering to highest standards of governance include: professionalization of the Board; fair and transparent processes and reporting systems; and going beyond the mandated Corporate Governance Code requirements of Securities and Exchange Board of India (SEBI). At the highest level the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopt innovative approaches for leveraging resources, converting opportunities into achievements through proper coordination, empowerment and motivation, fostering a healthy all round growth and development to take the Company forward.

2. Board of Directors

- i. As on March 31, 2024, the Company has in all 8 Directors with considerable professional experience in divergent areas connected with corporate functioning. Out of these 8 Directors, 5 (62.50%) are Independent Directors (IDs), 2 are Promoter Directors and 1 is a Wholtime Director. The composition of the Board is in conformity with the Listing Regulations. The Board is headed by the Non-Executive Promoter Chairperson Mrs Nandini Nopany. The composition of Board of Directors is balanced in terms of specialisation in one or more areas.
- ii. The Board of Directors takes into account the interest of all stakeholders while discharging its responsibilities and provides leadership and guidance to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to the high standards of ethics, transparency and disclosures.
- iii. The Non-Executive Directors bring objective and independent perspective in the deliberations and decisions of the Board of Directors as they have a wider view of external factors affecting the Company and its business. These directors make a constructive contribution to the Company by ensuring fairness and transparency while considering the business

plans devised by the management team. They receive sitting fees for attending the meetings and do not have any other material pecuniary relationship or transaction with the Company, its promoters, promoter group, its directors, management, subsidiaries or associates.

- iv. All the Independent Directors have requisite knowledge of business, in addition to the expertise in their area of specialization. The Company has received declaration from each of the Independent Directors of the Company confirming that he/ she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, rules framed thereunder and the Listing Regulations. It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.
- v. As per the disclosure received by the Company from the Directors none of them are Director on the Board of more than 7 listed entities as well as the Whole time Director has no other directorship in compliance with Regulation 17A of Listing Regulations and none of Directors are member in more than ten committees, nor as Chairperson of more than five committees across all companies in which they are Directors, in compliance with Regulation 26 of Listing Regulations as well as not have been debarred or disqualified from being appointed or continuing as director by SEBI/Ministry of Corporate Affairs(MCA) or any other statutory authority. The Directors inform the Company about the committee positions they occupy in other companies and also notify changes from time to time. The Company has obtained a certificate from a company secretary in practice confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by SEBI/MCA or any such statutory authority.
- vi. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013 except for the Chairperson who is related to Mr Chandra Shekhar Nopany, Co-Chairperson.
- vii. The Board looks at strategic planning and policy formulation. The Board meets at least once in every quarter to review the Company's operations and the

maximum time gap between any two meetings is not more than 120 (One Hundred Twenty) days.

- viii. The Whole time Director is responsible for corporate strategy, planning, external contacts and Board matters. The senior management personnel heading respective divisions are responsible for all day-to-day operations-related issues, profitability, productivity, recruitment and employee retention for their divisions.
- ix. The Board of Directors at its meeting held on May 13, 2024, has appointed Mr. Amit Dalal (DIN: 00297603) as an Additional Director, to hold office till the ensuing Annual General Meeting. The same is being placed before the Members of the Company for approval.

Mr. Chandra Shekhar Nopany (DIN:00014587), Director is retiring by rotation at the forthcoming AGM scheduled to be held on July 31, 2024 and being eligible has offered himself for re-appointment.

The brief resume and other requisite details of the Director proposed to be re-appointed forms part of the notice of the ensuing AGM.

- x. The Independent Directors (IDs) met on 22nd March, 2024 without the presence of the Chairperson, Wholetime Director, the Non-Executive Non-IDs and the Management Team. The meeting was attended by IDs in person which enabled them to discuss various matters pertaining to the Company's affairs and thereafter put forth their combined views to the Board. The IDs reviewed the performance of non-IDs, Chairperson, Co-chairperson and the Board as a whole as well as the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- xi. **Key Board qualifications, expertise and attributes**

The ASEL Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the ASEL Board is in compliance with the highest standards of corporate governance.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Business	Understanding of Sugar business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Ability to think strategically, identify and critically assess strategic opportunities and threats and develop effective strategies in the context of strategic objectives of the Company's policies and priorities.
Governance	Experience in developing governance practices, serving the best interest of all stakeholders, protecting shareholder interests, maintaining board and management accountability and driving corporate ethics and values.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

Key Board Qualifications

Director	Business	Strategy and Planning	Governance
Mrs Nandini Nopany (DIN – 00051362)	✓	✓	✓
Mr Chandra Shekhar Nopany (DIN – 00014587)	✓	✓	✓
Mr Gaurav Swarup (DIN- 00374298)	✓	✓	✓
Mr Anand Ashvin Dalal (DIN – 0353555)	✓	✓	✓
Mr Pradip Kumar Bishnoi (DIN- 00732640)	✓	✓	✓
Mr Kalpataru Tripathy (DIN – 00865794)	✓	✓	✓
Ms Kausalya Madhavan (DIN – 5198559)	✓	✓	✓
Mr Devendra Kumar Sharma (DIN – 06498196)	✓	✓	✓

Familiarisation Programme

In terms of Regulation 25(7) of Listing Regulations, the Company is required to conduct Familiarisation Programme for IDs to familiarise them about the Company including nature of industry in which the Company operates, the business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. As a part of the familiarisation programme, presentation was made to the IDs giving a brief overview of roles, responsibilities and liabilities of IDs under Corporate Governance norms with focus on constitution of various Committees under the Companies Act, 2013. In addition to the above, the Directors are continuously encouraged to participate in various training sessions to ensure that the Board members are kept up to date.

At the time of appointment, a new Director is welcomed to the Board of Directors of the Company by sharing an Induction Kit containing inter-alia the Organization Chart, brief profile of all Directors and Key Managerial Personnel (KMPs), Policy Compendium, Investor Presentation, amongst others.

Further, the management of the Company makes various presentations to the IDs on an ongoing basis which inter-alia includes Company overview, various business verticals, latest key business highlights, financial statements, evolution as well as business model of the various business of the Company, as part of the familiarisation program for IDs.

Significant Statutory updates are circulated as a part of the agenda of the Board Meetings through which Directors are made aware of the significant new developments and highlights from various regulatory authorities viz. SEBI, MCA, other statutory authority etc.

The Board has open channels of communication with executive management which allows a free flow of communication among Directors in terms of raising queries, seeking clarifications and other related information. Directors are also informed of the various developments in the Company.

The details of the familiarisation program (other than through meetings of Board and its Committees) imparted to the Independent Directors are uploaded on the website of the Company and available at the weblink <https://www.birla-sugar.com/Assets/Avadh/Familiarisation%20Programme.pdf>

Performance Evaluation

In pursuance of the provisions of the Companies Act, 2013 and Listing Regulations, the Company has laid down a Performance Evaluation Policy. The said policy prescribed in detail the process for effective evaluation of performance of the Board of Directors, the Committees thereof, individual Directors and the Chairperson of the Company. The Nomination and Remuneration Committee ("NRC") finalises the proformas / questionnaires containing different parameters to evaluate the performance of Board of Directors and its committee(s), individual Directors

and the Chairperson of the Company. The performance evaluation parameters for Independent Directors include level of participation in decision making process, understanding of Company's business and industry, ensuring adequacy and functionality of vigil mechanism, communicating inter-se with Board members and senior management, etc.

As per the Performance Evaluation Policy of the Company, the evaluation of performance of the Board as a whole, Committees of the Board of Directors, individual Directors and Chairperson/Co-chairperson of the Company was carried out for the Financial Year 2023-24. The Independent Directors at their separate meeting carried out the evaluation of the Board of Directors as a whole, Chairperson/Co-chairperson of the Company and Non-Independent Directors. The Independent Directors have briefed the Board of Directors about performance evaluation by Independent Directors of the Company.

Based on the responses to the questionnaires received from the Directors and considering the evaluations carried out by Independent Directors, the Board of Directors evaluated its own performance and that of its committees and individual Directors including Independent Directors.

Board Diversity Policy

Board diversity is imperative in view of globalization of business, rapid deployment of technology, greater social

responsibility, ever increasing emphasis on corporate governance and increasing need for risk management. Having members of the Board of Directors from different fields enables the Company to keep pace with changing business dynamics and provide financial, reputational and qualitative benefits. The Board of Directors had adopted "Board Diversity Policy" which sets out the basic guidelines to constitute a diverse Board that can, inter alia, draw upon a range of perspectives, experience and knowledge.

Board meetings

The meetings of the Board of Directors are scheduled in advance. The Company Secretary prepares the agenda for the meetings in consultation with the Chairperson and other senior management personnel. The detailed agenda and other relevant notes are circulated to the Directors well in advance. All material back up information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same are placed on the table at the meeting with specific reference to this effect in the Agenda.

During the period under review 5 (Five) Board Meetings were held on 8th May, 2023, 3rd August, 2023, 8th November, 2023, 18th January, 2024 and 12th February, 2024 respectively

The names and categories of the Directors on the Board, their attendance at Board meetings and at the last Annual General Meeting (AGM) held during the financial year and the number of directorships and committee Chairmanships/ Memberships held by them in other public limited companies are given below:

Name of Director	Category of Director	No. of Board Meetings held and attended during FY 2023-24		Whether attended last AGM held on Wednesday, 26 th July, 2023	No. of Directorships in other Indian Public Limited Companies (As on 31 st March 2024) [#]	No. of Committee positions held in other Indian Public Companies (As on 31 st March 2024) ^{##}		Number of Equity shares held (As on 31 st March, 2024)
		Held	Attended			Chairman	Member	
Mrs Nandini Nopany (DIN – 00051362)	P/C/NED	5	4	Yes	6	-	-	99,404
Mr Chandra Shekhar Nopany (DIN – 00014587)	P/CO/NED	5	5	Yes	8	1	-	68,176
Mr Gaurav Swarup (DIN- 00374298)	NED/ID	5	5	Yes	8	-	5	NIL
Mr Anand Ashvin Dalal (DIN – 0353555)	NED/ID	5	5	Yes	1	-	-	NIL
Mr Pradip Kumar Bishnoi (DIN- 00732640)	NED/ID	5	5	Yes	4	-	6	NIL
Mr Kalpataru Tripathy (DIN –00865794)	NED/ID	5	5	Yes	5	2	3	NIL
Ms Kausalya Madhavan (DIN – 5198559)	NED/ID	5	5	Yes	-	-	-	NIL
Mr Devendra Kumar Sharma (DIN – 06498196)	WTD	5	5	Yes	-	-	-	NIL

P – Promoter; C – Chairperson; CO – Co-Chairperson; ID – Independent Director; NED - Non-executive Director; WTD – Whole-time Director

Notes :

The number of directorships held by the Directors does not include Private Limited Companies, Foreign Companies and Companies incorporated under Sec 8 of the Companies Act, 2013.

In accordance with Regulation 26 of the Listing Regulations, memberships /chairmanships of only Audit Committee and Stakeholders Relationship Committee of other Indian Public Limited Companies have been considered.

The other Indian listed entities where Directors of the Company hold directorship as on 31st March 2024 are as follows:

Name of the Director	Other Indian Listed Entity Directorships	Category of Directorship
Mrs Nandini Nopany	Ganges Securities Limited	Non-Executive Chairperson
Mr Chandra Shekhar Nopany	Magadh Sugar & Energy Limited	Non-Executive Chairperson
	Chambal Fertilisers and Chemicals Limited	Non-Executive Director
	New India Retailing & Investment Limited	Non-Executive Chairperson
	Sutlej Textiles and Industries Limited	Executive Chairperson
	SIL Investments Limited	Non-Executive Chairperson
Mr Gaurav Swarup	Graphite India Limited	Independent Non-Executive Director
	Swadeshi Polytex Limited	Non-Executive Director
	KSB Ltd	Non-Executive Director
	Industrial and Prudential Investment Company Limited	Executive Director
	IFGL Refractories Limited	Independent Non-Executive Director
Mr Anand Ashvin Dalal	The Jamshri Realty Limited	Non-Executive Director
Mr Pradip Kumar Bishnoi	Rane (Madras) Limited	Independent Non-Executive Director
	Rane Holdings Limited	Independent Non-Executive Director
	Rane Engine Valve Limited	Independent Non-Executive Director
Mr Kalpataru Tripathy	JK Tyre & Industries Ltd	Independent Non-Executive Director
	JK Agri Genetics Limited	Independent Non-Executive Director

Mrs Kausalya Madhavan and Mr Devendra Kumar Sharma do not hold any directorship in any other listed entity

Committees of the Board

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Finance & Corporate Affairs Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. The Committees meet as often as required considering the business needs of the Company and the minutes of meetings of these Committees are also circulated to the Board of Directors.

3. Audit Committee

i. Overall purpose/Objective

The Audit Committee was constituted on 14th March, 2017, in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of Listing Regulations, 2015 as amended from time to time,

The purpose of the Audit Committee is to assist the Board of Directors ("the Board") in reviewing the financial information which will be provided to the shareholders and others, reviewing the systems of internal controls established in the Company, appointing, retaining and reviewing the performance of Statutory Auditors/independent accountants/

internal auditors and overseeing the Company's accounting and financial reporting processes and the audit of the Company's financial statements.

ii. Terms of Reference

The Terms of Reference of this Committee includes 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, recommending appointment, remuneration and terms of appointment of auditors, reviewing/ examining quarterly and annual financial statements and auditor's report thereon before submission to the Board for approval, evaluate Company's internal financial controls and risk management systems, reviewing performance of statutory and internal auditors, discussing with auditors significant findings, if any, related party transactions and adequacy of internal control systems, reviewing the functioning of the Whistle Blower Mechanism and other matters specified for Audit Committee in Section 177 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and Listing Regulations, 2015, as amended from time to time. It also deals with matters relating to Company's Code of Conduct for Prohibition of Insider Trading framed in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended

and related matters. It also discharges such other functions as may be delegated by the Board of Directors from time to time.

Mr Anand Ashvin Dalal, Chairperson of the Audit Committee attended the Annual General Meeting of the Company held during the year to provide clarifications and answer queries.

The Company's system of internal controls covering financial and operational activities, compliances, IT applications, etc. are reviewed by the Internal Auditors and presentations are made to the Audit Committee on the findings of such reviews. Further, in compliance with Section 177(4)(vii) of the Companies Act, 2013 the Audit Committee maintains and evaluates the effectiveness of internal control systems of the Company pertaining to financial reporting, compliance with Standards of Accounting specified under Sec 133 of the Companies Act, 2013, and looks after overall financial activities under applicable laws and regulations governing the Company.

iii. Composition and Meetings

The Audit Committee as on 31st March, 2024, comprises of Mr Anand Ashvin Dalal, Mr Pradip Kumar Bishnoi, Mr Kalpataru Tripathy, Mrs Kausalya

Madhavan, Independent Directors and Mr Devendra Kumar Sharma, Whole time Director. Mr Anand Ashvin Dalal, Independent Director of the Company is the Chairperson of the Audit Committee. All the Members of the Audit Committee are financially literate and have accounting or related financial management expertise. The Chief Financial Officer (CFO) is a permanent invitee to the meetings of the Audit Committee and the Company Secretary acts as the Secretary to the Audit Committee. The Statutory Auditors as well as Internal Auditors of the Company are invited to attend the Audit Committee meetings. The Company also invite the Cost Auditor to attend the meeting and discuss their report. The Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the Committee.

Four meetings of the Audit Committee were held during the year 2023-24 on 6th May 2023, 3rd August, 2023, 8th November, 2023 and 12th February, 2024 respectively. The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days. Moreover, the requisite quorum as required by Listing Regulations, 2015, was present in all the meetings of the Audit Committee held during the year.

Attendance of the members at the meetings was as follows:

Name of the Member	Status	Category	No of meetings attended
Mr Anand Ashvin Dalal	Chairperson	Independent Director	4
Mr Pradip Kumar Bishnoi	Member	Independent Director	4
Mr Kalpataru Tripathy	Member	Independent Director	4
Mrs Kausalya Madhavan	Member	Independent Director	4
Mr Devendra Kumar Sharma	Member	Wholetime Director	4

4. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company was constituted on 14th March, 2017, in line with the provisions of Regulation 20 of Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013.

(i) Terms of Reference:

The Stakeholders Relationship Committee oversees the redressal of complaints/grievances of investors such as transfer/transmission of shares, credit of shares to demat accounts, non-receipt of dividend/annual reports, approval of physical transfer/transmission of more than 1000 shares, taking note of shares transferred during each quarter, status of dematerialized shares as at the end of each quarter,

stock of blank stationery of share certificates as at the end of each quarter, shareholding pattern of the Company as at the end of each quarter and detail of investors' grievances pending as at the end of each quarter among others. It also approves issuance of duplicate shares and matters incidental thereto. It also discharges such other functions as may be delegated by the Board of Directors from time to time. The Stakeholders Relationship Committee meets at regular intervals to take note of share transfer and other matters.

(ii) Composition & Meetings:

The composition of the Stakeholders' Relationship Committee as on 31st March, 2024 is as follows:

- a. Mrs Kausalya Madhavan
- b. Mr Anand Ashvin Dalal
- c. Mr Gaurav Swarup
- d. Mr Pradip Kumar Bishnoi

During the period under review the Committee met four times on 8th May, 2023, 3rd August, 2023, 7th November, 2023 and 7th February, 2024. The Committee is headed by Mrs Kausalya Madhavan, an Independent Director and the Company Secretary is the Compliance Officer.

Attendance of the members at the meetings was as follows:

Name of the Member	Status	Category	No of meetings attended
Mrs Kausalya Madhavan	Chairperson	Independent Director	4
Mr Anand Ashvin Dalal	Member	Independent Director	4
Mr Gaurav Swarup	Member	Independent Director	4
Mr Pradip Kumar Bishnoi	Member	Independent Director	4

The Board of Directors have authorised the Company Secretary to approve transfers/transmissions of shares in physical form upto 1000 shares. The transfers/transmissions approved by the Company Secretary are periodically placed before the Committee.

The Company has in place a comprehensive Investor Grievance Redressal system prescribing the standards of shareholders' service & grievance redressal procedure and mechanism to be adhered to by the Registrar and Share Transfer Agents as well as by the Company. The shareholders can write to the Company at avadinvestors@birla-sugar.com

During the financial year ended 31st March, 2024, 2 (two) Nos. complaints were received and duly resolved. There were no complaints pending as on 31st March, 2024.

Further, pursuant to Regulation 13(3) read with Regulation 13(4) of Listing Regulations, 2015, Statements of investor complaints as received from the Registrar & Share Transfer Agents, Link Intime Private Limited, were filed with the Stock Exchanges on a quarterly basis and the said Statements were also placed before the Board of Directors for information and noting.

5. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company in line with the provisions of Regulation 19 of Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013.

i. Objectives:

The Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable statutes, rules and regulations which the Committee deems relevant,

makes recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company, identifies the persons who are qualified to become Directors and who may be appointed in senior management including their remuneration in accordance with the criteria laid down, recommends to the Board their appointment and removal and other matters specified for Nomination and Remuneration Committee in Section 178 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and under the Listing Regulations.

ii. Terms of Reference:

The broad terms of reference of the Nomination and Remuneration Committee, inter-alia includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of IDs and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment, remuneration and removal.

It also discharges such other functions as may be delegated by the Board of Directors from time to time.

iii. Composition and Meetings:

The Committee comprises of the following Directors as on 31st March, 2024

- a. Mr Gaurav Swarup
- b. Mr Anand Ashvin Dalal

- c. Mr Kalpataru Tripathy
- d. Mrs Kausalya Madhavan

During the period under review the Committee met four times on 8th May, 2023, 26th May, 2023, 1st November, 2023 and 7th November, 2023 respectively.

Attendance of the members at the meetings was as follows:

Name of the Member	Status	Category	No of meetings attended
Mr Gaurav Swarup	Chairperson	Independent Director	4
Mr Anand Ashvin Dalal	Member	Independent Director	4
Mr Kalpataru Tripathy	Member	Independent Director	4
Mrs Kausalya Madhavan	Member	Independent Director	4

iv. Remuneration Policy:

The Remuneration Policy is available on the Company website at weblink <http://www.birla-sugar.com/Assets/Avadh/ASEL-Nomination-and-Remuneration-Policy.pdf>

The Remuneration Policy, inter-alia, includes the appointment criteria & qualification requirements, process for appointment & removal, retirement policy and remuneration structure & components, etc. of the Directors, Key Managerial Personnel (KMP) and other senior management personnel of the Company. As per the Remuneration Policy, a person proposed to be appointed as Director, KMP or other senior management personnel should be a person of integrity with high level of ethical standards. In case of appointment as an independent director, the person should fulfil the criteria of independence prescribed under the Companies Act, 2013, rules framed thereunder and the Listing Regulations. The Remuneration Policy also contains provisions about the payment of fixed & variable components of remuneration to the Whole-time Director and payment of sitting fee & commission to the non-executive directors.

i. Remuneration of Directors

Detail of remuneration paid to the Directors for the financial year 2023-24:

a. Wholetime Director (₹ in lakhs)

Name	Salary	Perquisites	Retirement Benefits *	Total
Mr Devendra Kumar Sharma	167.27	4.70	13.23	185.20

* It does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Mr Devendra Kumar Sharma's remuneration package includes salary, free furnished accommodation with all expenses for upkeep and maintenance thereof, contribution to Provident Fund, reimbursement of medical expenses, leave travel concession, car with driver and telephone etc.

b. Non-Executive Directors

The Company pays a sitting fee of ₹40,000/- and ₹20,000/- per meeting to each Non-executive Director for attending meetings of the Board of Directors and Committees thereof respectively.

The shareholders of the Company had approved through Postal Ballot on 13th March, 2022, payment of commission to non-executive directors for a period of 5 years with effect from the financial year 2021-22 subject to the aggregate annual limit of one percent of the net profits of the Company determined in accordance with the terms and provisions of Section 198 of the Companies Act, 2013. However, the Board of Directors of the Company within the aforesaid limit had further put forth a ceiling of ₹10 Lakhs

with effect from the financial year 2021-22, The Board of Directors determined the commission payable to individual Directors for the Financial Year 2023-24 based on the time devoted and the contribution made by individual directors in the affairs of the Company.

The details of sitting fees paid and the commission payable to the Directors are as follows:

Sl. No.	Name of the Director	Sitting Fee Paid (₹)	Commission payable for the Financial Year 2023-24 (₹)
1	Mrs Nandini Nopany	1,80,000	10,00,000
2	Mr Chandra Shekhar Nopany	2,20,000	10,00,000
3	Mr Anand Ashvin Dalal	4,40,000	10,00,000
4	Mr Gaurav Swarup	3,80,000	10,00,000
5	Mr Pradip Kumar Bishnoi	4,60,000	10,00,000
6	Mr Kalpataru Tripathy	4,00,000	10,00,000
7	Mrs Kausalya Madhavan	4,80,000	10,00,000

There was no other pecuniary relationship or transaction with the non-executive directors.

6. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Company was constituted on 14th March, 2017 in line with the provisions of Listing Regulations, 2015 read with Section 135 of the Companies Act, 2013.

i. Terms of Reference

The terms of reference of the Corporate Social Responsibility Committee includes formulating and recommending to the Board of Directors a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as specified under the Companies Act, 2013 recommending the amount of expenditure to be incurred on such activities, instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company etc.

Monitoring the Company's execution of its sustainability strategy based on the identified priorities and provide updates and assurance to the Board in that regard; Overseeing the Company's disclosures relating to sustainability on behalf of the Board and provide information and advice to support the Board and Audit Committee in relation to those disclosures, as required; Overseeing the Company's approach to external communications relating to sustainability and ensure a good dialogue with the Company's shareholders on sustainability matters is maintained; Monitoring developments and emerging best practice in approaches to sustainability and provide insights against the Company's strategy; Engaging with the employees delivering the Company's sustainability strategy and assess the Company's approach to nurturing talent and

providing development opportunities; and Providing support, input and guidance to management on sustainability matters, as appropriate, including in relation to the coordination of sustainability strategy, communications and incentive arrangements.

It also discharges such other functions as may be delegated by the Board of Directors from time to time. The Committee also reviews periodically the progress of CSR projects/ programs/ activities undertaken by the Company.

ii. Composition and Meetings:

During the year under review the Corporate Social Responsibility Committee was reconstituted on 8th May, 2023 by appointing Mr Kalpataru Tripathy as the Chairperson of the Committee. Mrs Nandini Nopany ceased to be a member with effect from 8th May, 2023.

The Corporate Social Responsibility Committee comprises of Mr Kalpataru Tripathy, Chairperson, Mr Pradip Kumar Bishnoi, Independent Director and Mr Devendra Kumar Sharma, Whole time Director. Mr Kalpataru Tripathy, Chairperson of the Company acts as the Chairperson of the Corporate Social Responsibility Committee. The Company Secretary of the Company acts as the Secretary to the Committee. The Committee is responsible for monitoring the Corporate Social Responsibility Policy (CSR Policy) of the Company from time to time, the Company's CSR Policy is available on the Company's website at <http://birla-sugar.com/Assets/Avadh/Avadh-Sugar-CSR-Policy.pdf>

During the period under review the Committee met thrice on 8th May, 2023, 3rd August, 2023 and 10th February, 2024

Attendance of the members at the meetings was as follows :

Name of the Member	Status	Category	No of meetings attended
Mr Kalpataru Tripathy	Chairperson	Independent Director	2
Mr Pradip Kumar Bishnoi	Member	Independent Director	3
Mr Devendra Kumar Sharma	Member	Executive Director	3

7. Risk Management Committee

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The Risk Management Committee was constituted on 23rd May, 2017 in line with the provisions of Listing Regulations, 2015. The Committee now comprises of Mr Pradip Kumar Bishnoi and Mrs Kausalya Madhavan, Independent Directors, Mr Chand Bihari Patodia, Advisor, Mr Devendra Kumar Sharma, Wholetime Director and Mr Dilip Patodia, Chief Financial Officer. Mr Pradip Kumar Bishnoi is the Chairperson of the Committee.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;

- Reviewing the risk & its mitigation plans within framework and in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

Within its overall scope as aforesaid, the Committee reviews risks trends, exposure, potential impact analysis and mitigation plan. It also discharges such other functions as may be delegated by the Board of Directors from time to time.

During the period under review the Committee met twice on 15th September, 2023 and 7th March, 2024.

The attendance of each member of the Committee is given below:

Name of the Member	Status	Category	No of meetings attended
Mr Pradip Kumar Bishnoi	Chairperson	Independent Director	2
Mrs Kausalya Madhavan	Member	Independent Director	2
Mr Chand Bihari Patodia	Member	Advisor	1
Mr Dilip Patodia	Member	Chief Financial Officer	2
Mr Devendra Kumar Sharma	Member	Executive Director	2

8. Finance & Corporate Affairs Committee

The Finance & Corporate Affairs Committee of Board of Directors was constituted on 14th March, 2017 and comprises of Mrs Nandini Nopany, Chairperson, Mr Chandra Shekhar Nopany, Co-Chairperson, Mr Gaurav Swarup, Non-Executive & Independent Director and Mr Devendra Kumar Sharma, Wholetime Director.

The Company Secretary of the Company acts as the Secretary to the Committee and Mr Dilip Patodia, Chief Financial Officer is a regular invitee to such Committee.

The Terms of Reference of this Committee include oversight of banking and borrowing related matters, to authorise the Company officials for signing various agreements, deeds and documents etc., to consider, approve and submit various bid documents etc. for participation in ethanol tenders, amongst others and to do such other businesses as may be delegated by the Board of Directors from time to time.

During the period under review the Committee met once on 30th September, 2023.

The attendance of each member of the Committee is given below:

Name of the Member	Status	Category	No of meetings attended
Mrs Nandini Nopany	Chairperson	Non-Executive Director	1
Mr Chandra Shekhar Nopany	Member	Non-Executive Director	1
Mr Gaurav Swarup	Member	Independent Director	1
Mr Devendra Kumar Sharma	Member	Executive Director	-

9. Subsidiary Companies

The Company does not have any, associate or joint venture. However, the Board of Directors has formulated a Policy for determining as envisaged in Listing Regulations and such modified Policy has been disclosed on the company website at <http://birla-sugar.com/Assets/Avadh/Avadh-Sugar-Policy-for-Determining-Material-Subsidiaries.pdf>

10. Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Similarly, there were no transaction with person or entity belonging to Promoter/ Promoter Group which holds 10% or more shareholding in the Company. Adequate disclosure as required by the Indian Accounting Standards (IND As) have been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which modified in line with amended provisions of Companies Act, 2013 read with the Listing Regulations and has been uploaded on the Company's website <http://www.birla-sugar.com/Assets/Avadh/Avadh-Sugar-Related-Party-Transaction-Policy-.pdf>

11. Vigil Mechanism / Whistle Blower Policy

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the respected companies in India, the Company is committed

to the high standards of Corporate Governance and stakeholder responsibility and accordingly has formulated Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is meted out to any person for a genuinely raised concern. The said policy has been uploaded on the Company's website at <http://www.birla-sugar.com/Assets/Avadh/Avadh-Sugar-Whistle-Blower-Policy.pdf>

12. Policy Against Sexual and Workplace Harassment

The Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. The Company in its endeavor to provide a safe and healthy work environment for all its employees has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature by any employee or stakeholder that directly or indirectly harasses, disrupts or interferes with another's work performance or creates an intimidating, offensive or hostile environment such that each employee cannot realize his / her maximum potential. As per the Policy, any employee may report his / her complaint to the Internal Complaint Committee formed for this purpose. During the financial year 2023-24, no complaint has been received by Internal Complaints Committee.

13. General Body Meetings

13.1 The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Location
2022-23	26-07-2023	11.00 A.M.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM" and deemed venue: Registered Office of the Company P.O. Hargaon, Dist. Sitapur Uttar Pradesh - 261 121
2021-22	20-07-2023	11.00 A.M.	
2020-21	23-08-2021	11.00 A.M.	

The last Annual General Meeting was held on 26th July, 2023, which was chaired by Mr Chandra Shekhar Nopany.

The Company had taken shareholders' approval by way of special resolution in the previous Annual General Meeting held on July 26, 2023 for Re-appointment of Mrs. Nandini Nopany, who retires by rotation and, being eligible, offers herself for re-appointment and who had attained the age of seventy five (75) years, as a Director of the Company.

13.2 Postal Ballot

During the year under review, the Company did not seek Shareholders' approval through postal ballot

There is no immediate proposal for passing a resolution through postal ballot. In case a resolution is proposed to be passed through postal ballot, the procedure of postal ballot and other requisite details shall be provided in the postal ballot notice.

14. Means of Communication

- 14.1** The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within 60 days from the close of the financial year as per the requirements of Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board and also published in 'Business Standard', in English and 'Business Standard' in Hindi in Lucknow edition.
- 14.2** The quarterly results, shareholding pattern, corporate governance reports, intimation of Board meetings, etc. are filed with the stock exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre.
- 14.3** The Annual Report of the Company, the quarterly/half yearly and annual financial results are simultaneously posted on the Company's website www.birla-sugar.com and can be downloaded.
- 14.4** The Company also displays official press releases as and when released on the above website.
- 14.5** Email id earmarked for redressing Investor queries is avadhinvestors@birla-sugar.com
- 14.6** Presentation made to any Institutional Investor or to any Analysts during the period under review is made available on the above website.

15. General Shareholders' Information

15.01 10th Annual General Meeting

Day & Date	: Wednesday, July 31, 2024
Time	: 11.00 A.M.
Venue	: 10 th Annual General Meeting will be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and deemed venue shall be Registered Office of the Company at P.O. Hargaon, Dist. Sitapur Uttar Pradesh – 261121.

15.02 Financial Year : April to March

15.03 Tentative Financial Calendar

Event	Date
Approval of Audited Annual Results (2023-24)	13 th May, 2024
First Quarter Results	On or before 14 th August, 2024
Second Quarter Results	On or before 14 th November, 2024
Third Quarter Results	On or before 14 th February, 2025
Audited Annual Results (2024-25)	On or before 30 th May, 2025

15.04 Book Closure & Record Date

The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, July 25, 2024 to Wednesday, July 31, 2024 (both days inclusive) for the purpose of Annual General Meeting. The Record Date for ascertaining the entitlement of Dividend is July 24, 2024.

15.05 Dividend Payment Date - Within 30 days of the Annual General Meeting.

15.06 Listing on Stock Exchanges and Stock Codes

The names of the Stock Exchanges at which the Equity Shares of the Company are listed and the respective stock codes are as under:

Name and Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised Shares)
BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	540649	
National Stock Exchange of India Ltd. (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400051	AVADHSUGAR	INE349W01017

The Company has paid annual listing fees for the Financial Year 2024-25 to the above Stock Exchanges.

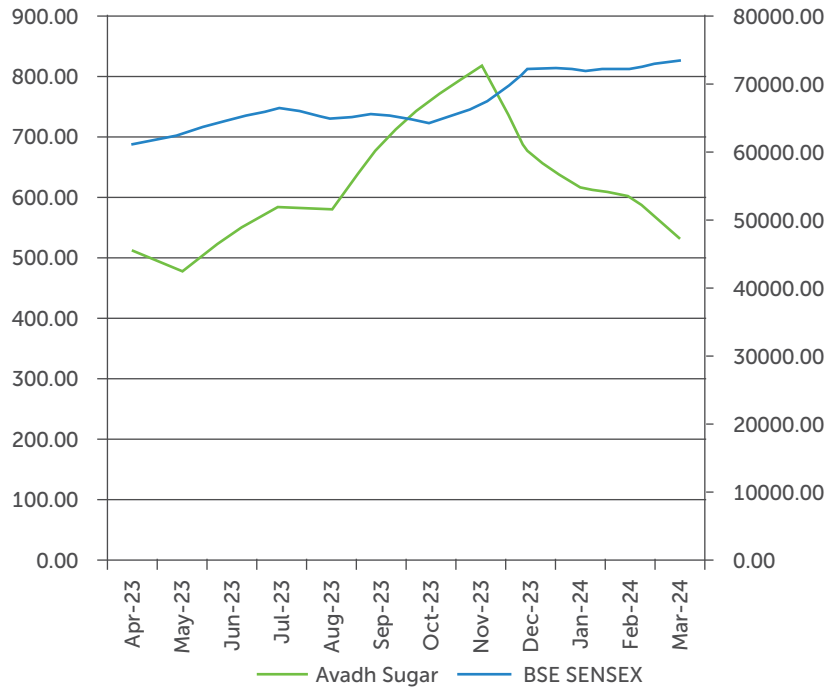
15.07 Market Price data

Monthly high/low of market price of the Company's Equity Shares traded on BSE Ltd.(BSE) and National Stock Exchange of India Ltd. (NSE) during the last financial year was as follows:

(Amount in ₹)

Month	BSE		NSE	
	High	Low	High	Low
April, 2023	523.75	435.05	524.00	441.00
May, 2023	552.00	452.30	554.00	471.80
June, 2023	564.85	476.80	564.50	476.50
July, 2023	613.70	519.15	614.00	519.00
August, 2023	660.00	519.65	597.95	518.45
September, 2023	733.85	562.05	733.75	571.45
October, 2023	770.55	648.25	770.60	647.60
November, 2023	852.45	651.45	855.00	678.20
December, 2023	834.45	649.40	830.65	649.00
January, 2024	680.00	601.20	679.80	598.50
February, 2024	704.60	589.50	705.45	589.60
March, 2024	639.60	515.25	637.90	515.95

15.08 Performance of Company's Equity Shares in comparison to BSE Sensex



The base of 100 is taken to be the closing price of shares at BSE and values of indices as on March 31, 2024.

The shares of the company were never suspended.

15.09 Registrar & Share Transfer Agent

The Company has appointed Link Intime India Pvt. Ltd. as its Registrar & Share Transfer Agent (RTA) for handling work related to share registry in terms of both physical and electronic modes. Accordingly, all correspondence, share transfer, demat/remat requests and other communication in relation thereto should be mailed/hand delivered to the said RTA directly at the following address:

Link Intime India Pvt. Ltd.

Unit: Avadh Sugar & Energy Limited

502 & 503, 5th Floor,

Vaishno Chambers,

6, Brabourne Road, Kolkata - 700 001

Tel: 91 033 4004 9728 / Fax : 91 033 4073 1698

E-mail: kolkata@linkintime.co.in

15.10 Share Transfer System

Pursuant to the directive of the Securities and Exchange Board of India (SEBI), Physical transfer of shares has been dispensed with. In reference to SEBI Circular dated 25th January, 2022, the Security holder/Claimant shall submit duly

filled up Form ISR-4 for processing of service request related to transmission, transposition, consolidation/sub-division/endorsement of share certificate, issue of duplicate share certificate along with requisite documents. The Company/RTA

shall issue letter of confirmation after processing the service requests which shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

15.11 Distribution of Shareholding

a. Equity Share Capital History

The Paid up Capital of the Company consists of 2,00,18,420 Equity shares of ₹10/- each fully paid up and allotted as under:

Date of Allotment	No. of shares	Issue Price (₹ per share)
30.03.2017	1,00,09,210	10
02.07.2019	1,00,09,210	(Bonus) 1:1

b. The Distribution of Shareholding as on 31st March, 2024 was as follows:

No of Equity Shares	No.of Shareholders	% of total shareholders	No of shares held	% of total shares
1 to 500	22448	94.30	1466020	7.32
501 to 1000	657	2.76	498235	2.49
1001 to 2000	328	1.38	479561	2.40
2001 to 3000	113	0.47	287785	1.44
3001 to 4000	59	0.25	207444	1.04
4001 to 5000	37	0.16	170878	0.85
5001 to 10000	65	0.27	478423	2.39
10001 and above	99	0.42	16430074	82.07
Total	23806	100.00	20018420	100.00

c. Detail of Shareholding pattern of the Company as on 31st March, 2024 was as follows:

Category	No. of Shares held	% of Shareholding
Promoter & Promoter Group	1,20,89,172	60.39
Financial Institutions/Banks/ Mutual Funds /UTI / Insurance Cos., NBFCs, Alternate Investment Funds etc.	1,95,866	0.98
Bodies Corporate	7,59,321	3.79
Individuals/HUF/Trust	59,45,281	29.70
Stock Exchange Clearing Members/Market Maker	362	0.00
NRIs / OCBs / FIIs / Foreign Nationals	9,64,708	4.82
Unclaimed Shares	63,710	0.32
Total	2,00,18,420	100.00

15.12 Dematerialisation of Shares and Liquidity

The Equity Shares of the Company are in compulsorily dematerialised form at all the stock exchanges viz. BSE Ltd and The National Stock Exchange of India Ltd. under depository systems at both the Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited. 1,99,35,335 Equity Shares viz. 99.58% of the Equity Share Capital of the Company have already been dematerialized.

15.13 Outstanding GDRs /ADRs/Warrants or Convertible Instrument : The Company has never issued GDRs/ADRs/Warrants or any other Convertible Instrument.

15.14 Commodities price risk or foreign exchange risk and hedging : Not Applicable

15.15 Location of Plants:

Sugar Mills:

- Hargaon, District Sitapur, Uttar Pradesh, Pin-261 121.
- Seohara, District Bijnor, Uttar Pradesh, Pin-246 746.
- Hata, District Kushinagar, Uttar Pradesh, Pin-274 207
- Rosa, District Shahjahanpur, Uttar Pradesh, Pin-242 406

Distilleries:

- Hargaon, District Sitapur, Uttar Pradesh, Pin-261 121.
- Seohara, District Bijnor, Uttar Pradesh, Pin-246 746.

Co-generation Power Plants:

- Hargaon, District Sitapur, Uttar Pradesh, Pin-261 121.
- Seohara, District Bijnor, Uttar Pradesh, Pin-246 746.
- Hata, District Kushinagar, Uttar Pradesh, Pin-274 207

15.15.1 Address for Correspondence:

Company Secretary, Avadh Sugar & Energy Limited 9/1, R.N. Mukherjee Road 5 th Floor, Birla Building Kolkata - 700 001, India Tel: 91 - 033 - 2243 0497/8 Fax: 91 - 033 - 2248 6369 e-mail: avadhinvestors@birla-sugar.com	Link Intime India Pvt. Ltd. Registrar & Share Transfer Agent Unit: Avadh Sugar & Energy Limited 502 & 503, 5 th Floor, Vaishno Chambers 6, Brabourne Road, Kolkata - 700 001, India Tel : 91-033-4004 9728 Fax : 91-033-4073 1698 e-mail: kolkata@linkintime.co.in
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15.16 Credit Ratings

The details of the Credit Rating assigned to the Company as on 31st March 2024 is as under:

Particulars	Amount (₹ in Crore)	Agency	Assigned Rating
Term Loan	534.34	India Ratings and Research	IND A+ STABLE
Fund-based limit	970.00		IND A+ STABLE/IND A1
Non-fund based limit	5.00		IND A1

15.17 Transfer of unpaid/unclaimed dividend amounts to Investor Education and Protection Fund

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the dividend, which remains unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to IEPF. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred by the Company to the demat account of IEPF Authority.

Dates of declaration of dividends since 2016-17 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government are given in the table below:

Dividend Year	Amount lying in Unpaid Dividend Account as on March 31, 2024 (in ₹)	Due date for transfer to Investor Education and Protection Fund ("IEPF")
2016-2017	2,32,360.00	06.09.2024
2017-2018	1,07,335.00	31.10.2025
2018-2019	2,88,810.00	09.10.2026
2019-2020	7,85,711.00	27.10.2027
2020-2021	7,08,696.00	29.09.2028
2021-2022	15,37,830.00	26.08.2029
2022-2023	15,17,028.00	01.09.2030

The members are once again requested to utilize this opportunity and get in touch with Company's RTA - Link Intime India Private Limited for encashing the unclaimed dividends standing to the credit of their account. Members are further requested to note that after completion of seven years, no claims shall lie against the Company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claim by the Company. Those shareholders whose dividends are transferred to IEPF authority can claim their dividend from the concerned Authority in the prescribed manner.

15.18 Transfer of shares in Unclaimed Suspense Account

The Company has transferred to the 'Unclaimed Suspense Account' the unclaimed equity shares which were issued in physical form from time to time. The details of such unclaimed shares are as under:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2023	779	63,992
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the financial year 2023-24	5	282
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the financial year 2023-24	5	282
Aggregate Number of shareholders and outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2024	774	63,710

The voting rights on the shares outstanding in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

16. CEO and CFO Certification

The Whole time Director and the Chief Financial Officer of the Company have certified that all the requirements of Listing Regulations, 2015 inter-alia, dealing with the review of financial statements and cash flow statements for the year ended 31st March, 2024, transactions entered into by the Company during the said year, their financial reporting and evaluation of the effectiveness of the internal control system and making necessary disclosures to the auditors and the audit committee have been duly complied with.

17. Information about directors seeking appointment/ re-appointment

The details of Directors seeking appointment/re-appointment are given in the Annexure to the Notice, under the head Particulars of Directors seeking appointment/re-appointment at the Annual General Meeting.

18. Prevention of Insider Trading

The Company has in place a Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders as envisaged under the SEBI (Prohibition of Insider Trading) Regulations, 2015 for its designated persons. The Company also has in place Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information. This Code is available on Company's website at <http://www.birla-sugar.com/Assets/Avadh/Avadh%20Sugar-CODE-FOR->

FAIR-DISCLOSURE-OF-UNPUBLISHED-PRICE-SENSITIVE-INFORMATION.pdf The Code ensures the prevention of dealing in Company's shares/ securities by persons having access to unpublished price sensitive information. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary is responsible for implementation of the Code. All Board of Directors and the designated persons have confirmed compliance with the Code.

19. Code of Conduct

The Company has also adopted a Code of Conduct (Code) for the members of Board of Directors, Key Managerial Personnel and Senior Management Personnel of the Company to follow. The Code is posted on the website of the Company at <http://birla-sugar.com/Assets/Avadh/Avadh-Sugar-Code-of-Conduct.pdf> The essence of the Code is to conduct the business of the Company in an honest and ethical manner, in compliance with applicable laws and in a way that excludes considerations of personal advantage. All Directors, Key Managerial Personnel and Senior Management Personnel have affirmed their compliance with the Code, and a declaration to this effect, signed by the Wholetime Director, is attached to this report and which forms an integral part of this report.

20. Legal Compliances

The Board reviews periodically compliance reports of all laws applicable to the Company, prepared by the Whole time Director which is duly supported by the legal compliance report of the internal auditors, heads of each Units at Hargaon, Seohara, Hata & Rosa, as well as by the Chief Financial Officer and Company Secretary. The Board also reviews periodically the steps taken by the Company to rectify instances of non compliances, if there be any.

21. Payment of Dividend etc. in electronic mode

Pursuant to Regulation 12 of Listing Regulations, 2015, listed entity shall use any of the electronic modes of payment facility approved by the Reserve Bank of India (RBI) in the manner specified in Schedule I of Listing Regulations, 2015, for making payments of dividend, interest, redemption or repayment amounts etc. However, where it is not possible to use electronic mode of payment, 'payable at-par' warrants or cheques may be issued. Further, where the amounts payable as dividend exceeds ₹1,500 (Rupees One Thousand and Five Hundred), the 'payable at- par' warrants or cheques shall be sent by speed post.

The Company is using various RBI approved electronic mode of payment for making payments such as dividend, etc. to the investors, failing which the bank details available with the depository participants and the Company's Registrar and Share Transfer Agents (RTA) are printed on the physical payment instruments.

Payment of dividend and other benefits through electronic mode is beneficial to the Members since the risks associated with receiving payment through dividend warrants and other instruments such as loss in transit/misplacement/revalidation etc. can be easily mitigated.

Members who wish to avail of the electronic facility of remittance, may update their bank details with the depository participants for shares held in demat form and Members holding securities of the Company in physical form are requested to update their bank details with the Company or its RTA.

The Company is using NACH mandate for remittance of dividend either through NACH or other electronic modes failing which the bank details available with the depository participants and the Company's RTA are printed on the dividend warrant. All the arrangements are subject to RBI guidelines, issued from time to time.

Members who wish to receive dividend in a bank account other than the one registered with the depository participants for shares held in demat form and with the Company's RTA for shares held in physical form, may notify their depository participants and the Company or its

RTA, respectively, about any change in the bank account details.

Further, pursuant to Regulation 43A of SEBI Listing Regulations, 2015, a Dividend Distribution Policy has been adopted by the Company covering, inter alia, the parameters for declaration of dividend, utilization of retained earnings, procedure for dividend declaration etc.

22. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified practising Company Secretary carries out an audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the Report thereon is submitted to the concerned Stock Exchanges. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

23. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)

The Institute of Company Secretaries of India (ICSI), one of the premier professional bodies in India, has issued Secretarial Standards on Board Meetings and General Meetings. Further, pursuant to Section 118(10) of the Companies Act, 2013, every company shall observe secretarial standards specified by ICSI with respect to Board and General Meetings. The Company confirms that it has duly adhered to the said Secretarial Standards.

24. Secretarial Audit & Secretarial Compliance Report

Pursuant to Section 204 of the Companies Act, 2013 and rules thereunder, the Board of Directors of the Company appointed M/s Vinod Kothari & Company, Practising Company Secretaries, to conduct Secretarial Audit of the records and documents of the Company. The Secretarial Audit Report confirms that the Company has complied inter alia with all the applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Depositories Act, 1996 and the Regulations and Bye- laws framed thereunder, Secretarial Standards issued by The Institute of Company Secretaries of India (Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India), Securities Contracts (Regulation) Act, 1956 and all the Regulations and Guidelines of the Securities and Exchange Board of India (SEBI) as applicable to the Company, including the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Prohibition of Insider Trading) Regulations, 2015, the SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993. The Secretarial Audit Report for the financial year ended March 31, 2024 is provided in the Annual Report. In addition to the Secretarial Audit Report, SEBI vide its Circular dated 8th February 2019 has mandated on annual basis a check by the company secretary in practice on compliance of SEBI Regulations and circulars/ guidelines issued thereunder and to submit a compliance report to the Company within 60 days of the end of the financial year, which was carried out by M/s Vinod Kothari & Company, Practising Company Secretary and their report shall be submitted to Stock Exchange within stipulated time and shall also be uploaded on company's website at www.birla-sugar.com.

25. Disclosures

- 25.01** There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large. Transaction with Related Parties is disclosed in Note No. 41 of the Accounts in the Annual Report.
- 25.02** No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets for non-compliance by the Company during the last three years.
- 25.03** Your Company is fully compliant with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable and compliance reports on Corporate Governance in the requisite formats have been submitted to the concerned stock exchanges.
- 25.04** The Company has in place the Whistle Blower Policy and no personnel has been denied access to the Audit Committee.
- 25.05** The Company has complied with all the applicable mandatory requirements.
- 25.06** In the preparation of the financial statements, the Company has followed Standards of Accounting notified under Section 133 of the Companies Act, 2013, as amended. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.
- 25.07** Total fees for all services paid by the listed entity to the statutory auditor and entities in the network firm/network entity of which the statutory auditor is a part was ₹76.03 Lakhs.
- 25.08** During the year the Company has not raised any funds through preferential allotment or qualified

institutional placement as specified in Reg 32(7A) of Listing Regulations, as amended from time to time.

- 25.09** No complaint was filed with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the Financial Year ended March 31, 2024. Further, no complaint was pending with the Company as at the beginning and end of the Financial Year 2023-24 under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- 25.10** All the recommendations/ suggestions made by the Committees of Board of Directors which is mandatorily required during the financial year 2023-24 were accepted by the Board of Directors.

26. Discretionary Requirements

- 26.01 Chairperson's Office:** Chairperson's Office is maintained by the Company and expenses towards performance of the Chairperson's duties are borne by the Company / reimbursed to her.
- 26.02 Shareholder rights:** The quarterly, half-yearly and annual results of the Company are published in a leading English daily newspaper having a nationwide circulation and a Hindi daily newspaper (having circulation in Lucknow) and regularly hosted on Company's website. The Annual Report of the Company for the financial year 2023-24 shall be emailed to the Members whose email addresses are available with the depositories or are obtained directly from the Members, as per Section 136 of the Companies Act, 2013 and Rule 11 of the Companies (Accounts) Rules, 2014. For other Members, who have not registered their email addresses, the Annual Report shall be sent at their registered address. If any Member wishes to get a duly printed copy of the Annual Report, the Company shall send the same, free of cost, upon receipt of request from the Member. The Company communicates with shareholders through e-mail, telephone etc.
- 26.03 Audit Opinion:** It is always the Company's endeavour to present unmodified audit opinion on the financial statements. There is no audit modified audit opinion on the Company's financial statements for the year ended on 31st March, 2024.
- 26.04 Reporting of Internal Auditor:** The Internal Auditor may report directly to the Audit Committee. The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meetings and regularly attends the Meetings for reporting audit findings to the Audit Committee.

Annexure C

Certificate on Code of Conduct

To
The Members
Avadh Sugar & Energy Limited
P.O. Hargaon, Dist - Sitapur
U.P – 261 121

Pursuant to Regulation 34 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 I, Devendra Kumar Sharma, Wholetime Director of Avadh Sugar & Energy Limited, declare that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Company's Code of Conduct during the financial year 2023-24.

Date : May 13, 2024

Devendra Kumar Sharma
Wholetime Director
DIN - 06498196

Annexure D

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of **Avadh Sugar & Energy Limited**

1. The Corporate Governance Report prepared by Avadh Sugar & Energy Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2024 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate

Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on 31st March, 2024 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2023 to March 31, 2024:
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM)
 - (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;

- (f) Risk Management Committee
 - (g) CSR Committee
 - v. Obtained necessary declarations from the directors of the Company.
 - vi. Obtained and read the policy adopted by the Company for related party transactions.
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting wherein such related party transactions have been pre-approved by the audit committee.
 - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year

ended March 31, 2024, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Membership Number: 060352

UDIN: 24060352BKFTFN3683

Place of Signature: Kolkata

Date: May 13, 2024

Annexure E

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Avadh Sugar & Energy Limited
P.O. - Hargaon, Dist. - Sitapur
Uttar Pradesh - 261121

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Avadh Sugar & Energy Limited having CIN : L15122UP2015PLC069635 and having registered office at P.O. - Hargaon, Dist. - Sitapur, Uttar Pradesh – 261121 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Chandra Shekhar Nopany	00014587	29.07.2016
2.	Nandini Nopany	00051362	29.07.2016
3.	Anand Ashvin Dalal	00353555	14.03.2017
4.	Gaurav Swarup	00374298	14.03.2017
5.	Pradip Kumar Bishnoi	00732640	14.03.2017
6.	Kalpataru Tripathy	00865794	14.03.2017
7.	Kausalya Madhavan	05198559	11.02.2019
8.	Devendra Kumar Sharma	06498196	29.07.2016

Ensuring the eligibility for 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 has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also 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 : Kolkata
Date : 13.05.2024

Name : **CS Atul Kumar Labh**
Membership No. : FCS 4848
CP No. : 3238
PRCN : 1038/2020
UIN : S1999WB026800
UDIN : F004848F000358564

Annexure F

Form No. MR-3

Secretarial Audit Report

FOR THE YEAR ENDED MARCH 31, 2024

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

To,
The Members,
Avadh Sugar & Energy Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Avadh Sugar & Energy Limited** [hereinafter called 'the Company'] for the year ended March 31, 2024 ["Period under Review"] in terms of Audit Engagement Letter dated 3rd August, 2023. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the Period under Review, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Period under Review, according to the provisions of applicable law provided hereunder:

1. The Companies Act, 2013 ('the Act') and the rules made thereunder including any re-enactment thereof;
2. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. 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;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), to the extent applicable: -

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
6. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
 - a. The Sugar Development Fund Act, 1982 and Rules;
 - b. The Sugarcane (Control) Order, 1966;
 - c. The Food Safety and Standards Act, 2006 and Rules;
 - d. Food Safety and Standards Regulations;
 - e. The Essential Commodities Act, 1955;
 - f. Legal Metrology Act, 2009;
 - g. Petroleum Act, 1934 And Rules;
 - h. Electricity Act, 2003 and Rules;
 - i. The Uttar Pradesh Sheera Niyamtran Adhiniyam, 1964;
 - j. Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act, 1953.

We have also examined compliance with the applicable clauses of the Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India.

Management Responsibility:

Kindly refer to our letter of even date which is annexed as **Annexure 'I'** which is to be read along with and forms an integral part of this report.

We report that during the Audit Period, the Company has complied with the provisions of the Act, rules, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with a 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 to schedule the Board Meetings and Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Resolutions have been approved by majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the Period under Review, the Company has not undertaken any specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above-

referred laws, rules, regulations, guidelines, and standards, etc., except the following:

1. Recommendation and payment of final dividend:

During the period under review, the Company recommended a final dividend of ₹10.00 per equity share on 2,00,18,420 Equity shares of ₹10 each, declared by the shareholders in the Annual General Meeting dated 26th July, 2023.

2. Resignation of Company Secretary and Compliance Officer:

During the period under review, Mr. Devinder Kumar Jain resigned from the office of the Company Secretary and Compliance Officer of the Company with effect from 31st August, 2023. The same was noted in the board meeting dated 3rd August, 2023.

3. Appointment of Company Secretary and Compliance Officer:

Ms. Vijaya Agarwala was appointed by the Board as the Company Secretary and Compliance Officer of the Company with effect from 9th November, 2023.

For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300

Place: Kolkata
Date: 13th May, 2024

Pammy Jaiswal

Partner

Membership No.: A48046

CP No.: 18059

UDIN:A048046F000356266

Peer Review Certificate No.: 4123/2023

Annexure I

Annexure to Secretarial Audit Report (Un-Qualified)

To,
The Members,
Avadh Sugar & Energy Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in **Annexure II**;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. We have conducted online verification & examination of records, as facilitated by the Company;
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.
7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis and sample basis.

8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
9. The contents of this Report have to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
10. 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.

Annexure II: List of Documents

1. Minutes shared through electronic mode of the following meetings:
 - a. Board Meeting;
 - b. Audit Committee;
 - c. Nomination and Remuneration Committee;
 - d. Stakeholders Relationship Committee;
 - e. Corporate Social Responsibility Committee;
 - f. Risk Management Committee meeting;
2. Annual Report 2022-23;
3. Notice and Agenda for Board and Committee Meetings on sample basis;
4. Disclosures under Act, 2013 on sample basis and those under Listing Regulations;
5. Forms and Returns files with the ROC;
6. Policies framed under Act, 2013 and Listing Regulations;
7. Compliance Report obtained by the Company from Internal Auditor for ascertaining the compliance with the specific laws;
8. Disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015;
9. Disclosures under SEBI (Substantial Acquisition of Shares and Takeover) Regulations.

Annexure G

Particulars of Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo. Information under section 134 (3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March, 2024.

(A) Conservation of Energy

- i. The steps taken or impact on the conservation of energy –
 - a) HPSV lights were replaced with LED lights at various locations in the plants.
 - b) Installed DC Drives instead of Steam Turbines to reduce the losses at Mill.
 - c) Variable Frequency Drive (VFDs) is being added in the system in all the Units for reduction of electrical energy consumption.
 - d) Back pressure turbine technology is successfully implemented for overall system efficiency improvement.
 - e) Continuous Pan Automation to save steam, manpower, water and for improving the quality of sugar.
- ii. the steps taken by the company for utilizing alternate sources of energy– The Company is producing renewable energy from Bagasse, which is eco-friendly & meets it's captive requirement of power from such energy & sells surplus power to state Grid.
- iii. The capital investment on energy conservation equipment – 472.93 lakhs

(B) Technology Absorption –

(i) the efforts made towards technology absorption–

1. Replacement of Co 238 cane variety with other varieties: -

In view of the damage of Co 0238 variety by red rot disease, this year we have replaced 19% of the plant cane area of Co 238 with other high sugared varieties like Co 118 & Co 15023 , these two varieties are resistant to the red rot disease & our target is to replace Co 238 variety completely in next two years.

2. Trench Method :-

This is a furrow method at a wider row of sugar cane planting. This method enhances the yield of sugar cane. This method helps saving of water

in irrigation as well as prevents lodging of cane. Farmers are being encouraged to sow the seeds of Cane through Trench method of sowing so as to increase the yield. Beside this the intercultural operations can be done with the help of small tractor, which help in saving the labour cost.

3. Power Spray (Boom Sprayer) :-

Power sprayer is a tractor driven implement. It is cost effective in the sense of labour saving and more coverage area of foliar spray of nutrients & pesticides, in short period of time and helps the crop to grow faster & healthier.

4. Small Tractors:-

This is an economical as well as time saving replacement of labour used in various agricultural operations. This may play a big role in supplying of fresh cane due to its small consignment. This is very useful for small holding growers, which are more than 75%.

5. Control of Insect, Pest and Disease

- a) Though Moist, Hot air Treatment: In order to maintain the genetic purity of varieties of Sugarcane, treatment is given to cane seed with moist hot air treatment. It improves the quality and yield of sugarcane. This process shall continue for the future also.
- b) Chemical Control: In order to control the Insect, Pest and Borer, insecticide and pesticide is being applied on the crop just before incidence of Pest and Borer for their control.
- c) Biological Control of Bore: The Parasite Trichogramma has been applied to the crop to protect it from insects, Pests, and Borer.

6. Ratoon Management

To increase the yield of the Ratoon, farmers are being educated on constant basis for stubbing the plant and giving the proper dose of fertilizers and irrigation. Farmers are educated also to fill the gaps by new and improved plants.

Owing to above efforts, higher yield of disease free cane is being made available to the Company's sugar mills resulting in higher return to cane growers as well as to the company. This has also contributed to higher recovery of cane. We are distributing seedling of new promising variety for faster multiplication of cane variety.

7. Ratoon Management Device:-

We have introduced these tractor driven machines in our mill command area, most of the ratoon management practices like stubble shaving, mulching, off barring etc can be performed with the help of this machine. The ratoon yield can be increased by 15-20 % after the use of ratoon management devices.

(ii) The Company has not imported any new technology during last three years.

(iii) The Company had incurred an expenditure on research and cane development amounting to ₹981.57 lakhs

(C) Foreign Exchange Earnings and Out go :-

- a) Activities relating to exports, initiatives taken to increase exports. – ₹ Nil
- b) Development of new export markets for products and services and export plan – ₹ Nil
- c) Earnings in Foreign Exchange (FOB Value) – ₹ Nil
- d) Expenditure in Foreign Currency - ₹ Nil

Annexure H

- A. Information pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
- i. The percentage increase in remuneration of each Director, Wholetime Director, Chief Financial Officer and Company Secretary in the financial year 2023-24 and the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24:

Name	Designation	Remuneration for the year ended 31.03.2024 (₹ in lakhs)	% age increase in remuneration in the FY 2023-24 as compared to previous year 2022-23	Ratio of remuneration of each director to the median remuneration of the employees of the Company
Mrs. Nandini Nopany	Chairperson	11.8	1.72	3.06
Mr Chandra Shekhar Nopany	Co-Chairperson	12.2	(3.17)	3.16
Mr Anand Ashvin Dalal	Independent Director	14.4	(1.37)	3.73
Mr Gaurav Swarup	Independent Director	13.8	(1.43)	3.58
Mr Pradip Kumar Bishnoi	Independent Director	14.6	(2.67)	3.79
Mr Kalpataru Tripathy	Independent Director	14	2.94	3.63
Mrs Kausalya Madhavan	Independent Director	14.8	4.23	3.84
Mr Devendra Kumar Sharma	Wholetime Director	186.5	24.08	48.36
Mr Dilip Patodia	Chief Financial Officer	180.17	4.57	Not Applicable
Mr Devinder Kumar Jain	Company Secretary	29.21	Not Applicable	Not Applicable

@ Percentage increase/decrease in remuneration is not comparable for Mr Devinder Kumar Jain, Company Secretary as he was employed only for the part of FY 2023-24.

- i. The percentage increase in the median remuneration of employees in the financial year 2023-24 : 6.31%
- ii. The number of permanent employees on the rolls of the Company : 830
- iii. 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 increase in the salaries of employees other than managerial personnel in the financial year 2023-24 was 2.52%. Details of percentage increase in the remuneration of managerial personnel is given in the table above.
- iv. It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

B) Statement pursuant to Section 197(12) of the Companies Act, 2013 read with the Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

I. Details of the top ten employees in terms of remuneration drawn for the Financial Year 2023-24:

S.No	Name of the Employee	Designation	Qualification	Age (Years)	Experience (Years)	Date Of Commencement of Employment	Remuneration Received (₹)	Last Employment	Equity Shares Held
1	Mr Chand Bihari Patodia	Advisor	Intermediate	75	56	01-02-1990	2,20,25,164	The Oudh Sugar Mills Ltd.	Nil
2	Mr Devendra Kumar Sharma	Wholetime Director	M.Com, AICWA	56	33	01-07-2014	1,86,50,463	The Oudh Sugar Mills Ltd	Nil
3	Mr Dilip Patodia	Chief Financial Officer	B.Com, CA, CS	58	33	01-07-2011	1,80,16,600	The Oudh Sugar Mills Ltd.	Nil
4	Mr C.Venugopal	President(Business)	MBA (Marketing & Finance)	55	31	16-03-2019	1,45,83,548	Umang Dairy	Nil
5	Mr Sukhveer Singh	Executive President-Seohara	B.Sc.	63	34	01-09-2008	1,33,61,341	Upper Ganges Sugar & Industries Ltd.	Nil
6	Mr Karan Singh	Executive President-Hata	B.Sc. (Hons) Agriculture	62	38	19-06-2018	76,87,137	West Keny Scl,Kenya	Nil
7	Mr. Arvind Kumar Dixit	Executive President-Hargaon	B.Sc & NSI	55	32	05-06-2023	63,61,917	Dhampur Bio Organics Ltd.	Nil
8	Mr Munesh Pal	Executive President-Rosa	Post Graduation	58	34	10-06-2019	61,22,224	Chhada Sugar & Industries Pvt. Ltd.	Nil
9	Mr Ramendra Singh	Executive Vice President (F&A)-Seohara	B Com, LL B, FCMA, MBA	54	31	18-07-2022	48,36,907	Bajaj Hindusthan Sugar Ltd.	Nil
10	Mr. Shoor Veer Singh	Executive Vice President-Hargaon	B.Com & MBA	61	33	22-09-2010	43,80,813	The Oudh Sugar Mills Ltd.	Nil

II. Employed throughout the financial year and were in receipt of remuneration aggregating not less than ₹1,02,00,000/- per annum.

S.No	Name of the Employee	Designation	Qualification	Age (Years)	Experience (Years)	Date Of Commencement of Employment	Remuneration Received (₹)	Last Employment	Equity Shares Held
1	Mr Chand Bihari Patodia	Advisor	Intermediate	75	56	01-02-1990	2,20,25,164	The Oudh Sugar Mills Ltd.	Nil
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4	Mr C.Venugopal	President(Business)	MBA (Marketing & Finance)	55	31	16-03-2019	1,45,83,548	Umang Dairy	Nil
5	Mr Sukhveer Singh	Executive President-Seohara	B.Sc.	63	34	01-09-2008	1,33,61,341	Upper Ganges Sugar & Industries Ltd.	Nil

Notes:

1. None of the above employees is a relative of any Director of the Company.
2. None of the above employees himself/herself or along with his/her spouse and dependent children holds 2% or more equity shares of the Company
3. All appointments are on contractual basis.

Place : Kolkata
Date : 13th May, 2024

For and on behalf of the Board of Directors
Chandra Shekhar Nopany

Co-Chairperson
DIN - 00014587

Annexure I

Annual Report on CSR Activities to be Included in the Board's Report

Sr. No	Particulars	Remarks																																
1.	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and project or programs.	The Company's CSR policy focuses on practicing its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders and with an intent to make a positive difference to society and to conduct the business in socially responsible, ethical and transparent manner to demonstrate commitment to respect the interest of and be responsive towards all stakeholders, including shareholders, employees, customers, suppliers, project affected people, society at large etc. and create value for all of them.																																
2.	Composition of the CSR Committee.																																	
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Sl. No.</th> <th style="text-align: center;">Name of Director</th> <th style="text-align: center;">Designation/ Nature of Directorship</th> <th style="text-align: center;">Number of meetings of CSR Committee held during the year</th> <th style="text-align: center;">Number meetings of CSR Committee attended during the year</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1.</td> <td>Mr Kalpataru Tripathy</td> <td>Chairperson</td> <td style="text-align: center;">3</td> <td style="text-align: center;">2</td> </tr> <tr> <td style="text-align: center;">2.</td> <td>Mr Pradip Kumar Bishnoi</td> <td>Independent Director</td> <td style="text-align: center;">3</td> <td style="text-align: center;">3</td> </tr> <tr> <td style="text-align: center;">3.</td> <td>Mr Devendra Kumar Sharma</td> <td>Whole-time Director</td> <td style="text-align: center;">3</td> <td style="text-align: center;">3</td> </tr> </tbody> </table>	Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number meetings of CSR Committee attended during the year	1.	Mr Kalpataru Tripathy	Chairperson	3	2	2.	Mr Pradip Kumar Bishnoi	Independent Director	3	3	3.	Mr Devendra Kumar Sharma	Whole-time Director	3	3													
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2.	Mr Pradip Kumar Bishnoi	Independent Director	3	3																														
3.	Mr Devendra Kumar Sharma	Whole-time Director	3	3																														
3.	Provide the web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	The CSR policy is available on the website of the Company viz. http://birla-sugar.com/Assets/Avadh/Avadh-Sugar-CSR-Policy.pdf																																
4.	Provide the 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 (attach the report)	NOT APPLICABLE																																
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Sl. No.</th> <th style="text-align: center;">Financial Year</th> <th style="text-align: center;">Amount available for set-off from preceding financial years (in ₹)</th> <th style="text-align: center;">Amount required to be set-off for the financial year, if any (in ₹)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">5.</td> <td>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</td> <td colspan="2" style="text-align: center;">-</td> </tr> <tr> <td style="text-align: center;">6.</td> <td>Average net profit of the Company as per section 135(5)</td> <td colspan="2" style="text-align: center;">₹13747.49 lakhs</td> </tr> <tr> <td style="text-align: center;">7.</td> <td>(a) Two percent of average net profit of the company as per section 135(5)</td> <td colspan="2" style="text-align: center;">₹274.96 lakhs</td> </tr> <tr> <td></td> <td>(b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.</td> <td colspan="2" style="text-align: center;">-</td> </tr> <tr> <td></td> <td>(c) Amount required to be set off for the financial year, if any</td> <td colspan="2" style="text-align: center;">-</td> </tr> <tr> <td></td> <td>(d) Total CSR obligation for the financial year (7a+7b-7c)</td> <td colspan="2" style="text-align: center;">-</td> </tr> <tr> <td style="text-align: center;">8.</td> <td>(a) CSR amount spent or unspent for the financial year :</td> <td colspan="2" style="text-align: center;">₹278.96 lakhs</td> </tr> </tbody> </table>	Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)	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	-		6.	Average net profit of the Company as per section 135(5)	₹13747.49 lakhs		7.	(a) Two percent of average net profit of the company as per section 135(5)	₹274.96 lakhs			(b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	-			(c) Amount required to be set off for the financial year, if any	-			(d) Total CSR obligation for the financial year (7a+7b-7c)	-		8.	(a) CSR amount spent or unspent for the financial year :	₹278.96 lakhs		
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Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	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
2,78,96,059.00	-	-	-	-	-

(b) Details of CSR amount spent against on-going projects for the financial year :

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allotted for the project (in ₹)	Amount spent in the current financial year (in Rs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation – Director (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1												

Not applicable

c) Details of CSR amount spent against other than on-going projects for the financial year :

Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementing agency	
				State	District			Name	CSR registration number
1	Hand-pumps	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Sitapur	90,000.00	Yes	N/A	N/A
2	Distribution of blankets & Windcheaters	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Sitapur	99,829.00	Yes	N/A	N/A
3	Medical Check up, Camps, ATM kit & Medicine distribution to patients	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Sitapur	1,22,074.00	Yes	N/A	N/A

Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementing agency	
				State	District			Name	CSR registration number
4	Medical Check up, Camps	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Sitapur	1,50,000.00	No	PHD Rural Development Foundation	CSR00004676
5	Ambulance purchase / operation	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Sitapur	14,54,723.00	Yes	N/A	N/A
6	Tin shed at Hargaon CHC	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Sitapur	7,98,377.00	Yes	N/A	N/A
7	Birla Girls Inter College (Salary)	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Uttar Pradesh	Sitapur	12,00,000.00	Yes	N/A	N/A

Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementing agency	
				State	District			Name	CSR registration number
8	Furniture for Primary School	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Uttar Pradesh	Sitapur	17,37,250.00	Yes	N/A	N/A
9	Cleaning and maintenance of Pond adjacent to plant	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Uttar Pradesh	Sitapur	4,31,850.00	Yes	N/A	N/A
10	Tree plantation at nearby area of Mill & School	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Uttar Pradesh	Sitapur	1,00,000.00	Yes	N/A	N/A

Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementing agency	
				State	District			Name	CSR registration number
11	Drain cleaning work from Banera Pond to Bhatpurwa Puliya	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Uttar Pradesh	Sitapur	5,00,000.00	Yes	N/A	N/A
12	Contribution to Manav Vikas Vidyalaya Trust	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	West Bengal	Kolkata	1,30,00,000.00	Yes	Manav Vikas Vidyalaya Trust	CSR00046016
13	Contribution to India Literacy Board, Lucknow	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Uttar Pradesh	Lucknow	20,00,000.00	Yes	India Literacy Board	CSR00045237
14	Portable RO for nearby Govt. Schools	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Bijnor	1,31,380.00	Yes	N/A	N/A

Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementing agency	
				State	District			Name	CSR registration number
15	Distribution of blankets & Windcheaters	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Bijnor	1,73,408.00	Yes	N/A	N/A
16	Medical Check up, Camps, ATM kit and Medicine distribution to patients	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Bijnor	3,95,244.00	Yes	N/A	N/A
17	Birla Girls Inter College (Repair & Paints)	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Uttar Pradesh	Bijnor	5,60,641.00	Yes	N/A	N/A
18	Cleaning and maintenance of Pond adjacent to plant	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Uttar Pradesh	Bijnor	10,78,347.00	Yes	N/A	N/A

Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementing agency	
				State	District			Name	CSR registration number
19	Animal Protection (Fodder in cow shelter)	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Uttar Pradesh	Bijnor	49,020.00	Yes	N/A	N/A
20	Tree plantation at nearby area of Mill & School	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Uttar Pradesh	Bijnor	34,750.00	Yes	N/A	N/A
21	Maintenance of Pond under Govt. Marat Sarovar Scheme	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Uttar Pradesh	Bijnor	3,00,000.00	Yes	N/A	N/A

Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementing agency	
				State	District			Name	CSR registration number
22	Training to promote rural sports with sport kits	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Uttar Pradesh	Bijnor	1,00,000.00	Yes	N/A	N/A
23	T.B. Medical Aid	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Kushinagar	2,58,918.00	Yes	N/A	N/A
24	Furniture for Primary School	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Uttar Pradesh	Kushinagar	21,49,488.00	Yes	N/A	N/A
25	Medical Check up, Camps, Sanitizer, ATM kit and Medicine distribution to patients	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Shahjahanpur	4,96,925.00	Yes	N/A	N/A

Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementing agency	
				State	District			Name	CSR registration number
26	T.B. Medical Aid	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Shahjahanpur	1,41,900.00	Yes	N/A	N/A
27	Ambulance operation	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Uttar Pradesh	Shahjahanpur	1,72,174.00	Yes	N/A	N/A
28	Har Ghar Tiranga	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Uttar Pradesh	Shahjahanpur	52,500.00	Yes	N/A	N/A
29	Tree plantation at nearby area of Mill & School	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	Yes	Uttar Pradesh	Shahjahanpur	1,17,261.00	Yes	N/A	N/A

(d)	Amount spent in Administrative Overheads	NIL
(e)	Amount spent on Impact Assessment, if applicable	NIL
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	₹278.96 Lakhs
(g)	Excess amount for set off, if any	NIL

Sl No	Particulars	Amount (in ₹ lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	274.96
(ii)	Total amount spent for the Financial Year	278.96
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.00

9 (a) Details of Unspent CSR amount for the preceding three financial years :

Sl No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1				NIL			

(b) Details of CSR amount spent in the financial year for on-going projects of the preceding financial year(s) :

Sl No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the Project – Completed / On-going
1					NIL			

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a)	Date of creation or acquisition of the capital asset(s).	N.A.
(b)	Amount of CSR spent for creation or acquisition of capital asset.	N.A.
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	N.A.
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	N.A.
	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)	N.A.

Place : Kolkata
Date : 13th May, 2024

Devendra Kumar Sharma
Whole-time Director
DIN - 06498196

Kalpataru Tripathy
Chairperson, CSR Committee
DIN - 00865794

Business Responsibility & Sustainability Report Financial Year ('FY') - 2023-24

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Section A - General Disclosures

I. Details of the listed entity:

Sr. no	Particulars	Details
1	Corporate Identity Number (CIN) of the Company	L15122UP2015PLC069635
2	Name of the Listed Entity	Avadh Sugar & Energy Limited ('ASEL')
3	Year of Incorporation	2015
4	Registered Office Address	P O Hargaon Dist. Sitapur Uttar Pradesh 261 121
5	Corporate Address	Birla Building, 5 th Floor, 9/1 R N Mukherjee Road, Kolkata 700 001
6	E-mail	birlasugar@birla-sugar.com
7	Telephone	(05862) 256220
8	Website	www.birla-sugar.com
9	Financial Year for which reporting is done	1 st April 2023 to 31 st March 2024
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited ('BSE') & National Stock Exchange of India Limited ('NSE')
11	Paid-up Capital	₹20,01,84,200
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Devendra Kumar Sharma, Wholetime Director Email ID - dksharma@birla-sugar.com Telephone - 7081611111
13	Reporting boundary	Standalone basis
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. Products/Services

16. Details of Business Activities (accounting for 90% of the turnover)

Sr. no	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Sugar	Production and processing of sugar from sugarcane including extracting, clarifying, evaporating the juice to concentrate it, crystallizing the concentrated juice to form sugar crystals, and drying and packaging the sugar for distribution.	71.2%
2	Industrial Alcohol	Manufacture of spirits/ industrial alcohol from molasses or other sugarcane by products. The manufacturing process involves fermentation and distillation, followed by further processing and purification to produce a high-grade ethanol/ spirit.	21.7%
3	Power	The bagasse generated from sugar production is used to generate power and supply to the electrical grid.	2.2%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Services	NIC Code	% of Turnover Contributed by the Product
1	Sugar	10721	71.2%
2	Industrial Alcohol	11019	21.7%
3	Power	35106	2.2%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of Plants	Number of Offices	Total
National	6	3	9
International	-	-	-

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	6
International (No. of Countries)	-

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c. A brief on types of customers

ASEL, primarily a sugar manufacturing company, serves a diverse range of customers through a business-to-business (B2B) model. The company deals with wholesalers and sells its sugar products in bulk quantities, typically 50kg sugar packets, to trade and institutional buyers including food and beverage manufacturers. Additionally, ASEL operates two distilleries producing industrial alcohol, ethanol, and rectified spirits. The ethanol is supplied to major oil companies such as Indian Oil, Bharat Petroleum, and Hindustan Petroleum for blending with petrol. Furthermore, ASEL's co-generation power plants supply electricity to the grid in Hargaon and Seohara, U.P. State, contributing to the region's energy needs. Through various channels, including distributors, direct sales, and digital marketing, ASEL effectively reaches its wide-ranging customer base.

IV. Employees:

20. Details as at the end of the financial year

a. Employees (including differently abled):

Particulars	Total (A)	Male		Female	
		No (B)	% (B/A)	No (C)	% (C/A)
Employees					
Permanent (D)	488	487	99.8%	1	0.2%
Other than Permanent (E)	439	438	99.8%	1	0.2%
Total employees (D + E)	927	925	99.8%	2	0.2%
Workers					
Permanent (F)	342	342	100.0%	-	0.0%
Other than Permanent (G)	751	751	100.0%	-	0.0%
Total workers (F + G)	1,093	1,093	100.0%	-	0.0%

b. Differently abled employees:

Particulars	Total (A)	Male		Female	
		No (B)	% (B/A)	No (C)	% (C/A)
Employees					
Permanent (D)	1	1	100.0%	-	0.0%
Other than Permanent (E)	-	-	0%	-	0.0%
Total (D + E)	1	1	100%	-	0.0%
Workers					
Permanent (F)	-	-	0.0%	-	0.0%
Other than Permanent (G)	-	-	0.0%	-	0.0%
Total (F + G)	-	-	0.0%	-	0.0%

21. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No & % of Females	
		No (B)	% (B/A)
Board of Directors	7	2	28.6%
Key Management Personnel	3	1	33.3%

22. Turnover rate for permanent employees and workers

Particulars	FY 23-24			FY 22-23			FY 21-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.5%	0.0%	9.5%	19.59%	0%	19.59%	21.14%	0%	21.14%
Permanent Workers	7.3%	0.0%	7.3%	6.76%	0%	6.76%	8.69%	0%	8.69%

V. Holding, Subsidiary and Associate Companies (including joint ventures):
23. (a) Names of holding / subsidiary / associate companies / joint ventures (As at March 31, 2024)

Not Applicable

(b) Does the entity indicated at column A above, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)

Not Applicable

VI. CSR Details:
24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: ₹2,69,351.44 Lakhs

(iii) Net worth(Lakhs.): ₹1,02,832.91 Lakhs

VII. Transparency and Disclosures Compliances:
25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC) –

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 23-24			FY 22-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	NIL	NIL	N.A.	NIL	NIL	N.A.
Investors (other than shareholders)	No	NIL	NIL	N.A.	NIL	NIL	N.A.
Shareholders*	Yes	2	NIL	N.A.	NIL	NIL	N.A.
Employees and workers [^]	Yes Some of the policies guiding the Company's conduct with all its stakeholders, including grievance mechanisms, are placed on the Company's website. The hyperlink is: http://www.birla-sugar.com/Avadh-Shareholders-Info/Business-Responsibility-Policies-Avadh	NIL	NIL	N.A.	NIL	NIL	N.A.
Customers	Yes	NIL	NIL	N.A.	NIL	NIL	N.A.
Value Chain Partners	No	NIL	NIL	N.A.	NIL	NIL	N.A.
Others	No	NIL	NIL	N.A.	NIL	NIL	N.A.

*The Company has an effective redressal mechanism. Shareholders with concerns can contact the Company or the Registrar & Share Transfer Agent Email: kolkata@linkintime.co.in

[^]Some of the policies guiding the Company's conduct with all its stakeholders, including grievance mechanisms, are placed on the Company's website. The hyperlink is: <http://www.birla-sugar.com/Avadh-Shareholders-Info/Business-Responsibility-Policies-Avadh>.

26. Overview of the entity's material responsible business conduct issues

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change	Risk	Climate change has a profound impact on agriculture, particularly on sugar production. Altered rainfall patterns, temperature fluctuations, and extreme weather events directly influence crop yields and quality. Furthermore, increasing greenhouse gas emissions can create both regulatory and reputational challenges.	We have started tracking Scope 1, 2 and 3 GHG emissions. Additionally, ASEL is committed to enhancing climate resilience by investing in sugarcane varieties to different soils and climates, adopting improved and advanced agri-practices. The Company also continuously focuses on alternative sources of green energy.	Negative
		Opportunity	The sugarcane sector mitigates climate change by producing bioethanol, a renewable energy source. This helps decrease greenhouse gas emissions and reduces reliance on fossil fuels, aligning with the global trend toward sustainable energy adoption.		Positive
2	Water Management	Risk	Operating as a sugar producer necessitates substantial water consumption. Environmental challenges such as water scarcity and pollution pose significant risks, potentially disrupting the supply chain and escalating operational costs.	ASEL has successfully deployed a ZLD system across its distilleries, enabling efficient water reuse. Recycled water is utilized for irrigation, thereby significantly mitigating the risks associated with water scarcity. Additionally, the Company has adopted water harvesting measures such as using wells to accelerate ground water recharge.	Negative
3	Waste Management	Opportunity	Implementing efficient waste management practices allows the company to optimize resource utilization by recycling, reusing, or repurposing waste materials. This can lead to savings in costs such as raw material procurement and waste disposal.		Positive
4	Health and Safety of Employees and Workers	Risk	The sugar industry inherently carries risks to employee/worker health and safety due to the use of machinery, equipment, and complex processes. Potential hazards include accidents, injuries, or occupational illnesses, often stemming from equipment malfunctions, insufficient training, or non-adherence to safety protocols. Such incidents not only compromise employee/worker well-being but can also affect the company's reputation, lower morale, reduce employee/worker engagement, increase turnover, and hinder the ability to attract and retain talent.	The Company strengthened employee/worker health and safety by initiating comprehensive training and educational efforts on safety practices. 5-S has been implemented as tool of safety and improved working environment to employees. Investments were made in safety equipment and infrastructure, including facility enhancements to improve workplace safety. Employee/worker involvement was actively promoted by encouraging participation in safety programs and the reporting of potential hazards.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Human Capital Development	Opportunity	Investing in the development of employees/workers through training and skill-building programs can lead to increased productivity and operational efficiency. Well-trained employees/workers are better equipped to perform their roles effectively, leading to higher output and reduced wastage. Further, Well-trained employees/workers are better equipped to maintain quality standards and adhere to safety protocols, reducing the risk of product defects, recalls, and related expenses.		Positive
6	Product Quality and Safety	Risk	Compliance risks, including misleading claims, customer complaints, and regulatory fines, can be significant. Any compromise in product safety or quality undermines customer trust and damages the company's reputation. Moreover, negative publicity from safety issues can erode sales and diminish brand image.	Our production process incorporates rigorous quality control measures to uphold regulatory standards and ensure consistent product quality. Additionally, we conduct regular laboratory tests on our products to maintain optimal quality and safety.	Negative
7	Corporate Governance	Risk	The sugar industry in India is highly regulated, with policies related to pricing, export, and import. Good corporate governance ensures that the company complies with these regulations, avoiding legal issues and penalties. Also, the company must ensure that its business practices align with ethical standards and legal requirements.	To strengthen our governance framework, we have developed and implemented internal SOPs across all functional areas, tailored to meet the specific needs of our industry. Our anti-corruption protocols are rigorously enforced, fostering a culture of integrity and accountability. To promote transparency and compliance, we regularly provide training sessions for employees and workers on ethical conduct, code of conduct, and anti-bribery practices. Additionally, we maintain a comprehensive compliance monitoring system and engage in open communication with local stakeholders to establish and maintain trust	Negative

Section B- Management & Process Disclosures

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Note 1								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle									
5. Specific commitments, goals and targets set by the entity with defined timelines.	ASEL is committed to adhere to ESG principles and has taken significant steps to integrate these values into their operations. The Company has identified key material topics relevant to their business considering environmental and social impact and is currently in the process of finalizing a comprehensive ESG strategy and roadmap to measure performance.								
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met	ASEL rigorously monitors and continuously acts upon ESG performance metrics, integrating these principles as a core part of our organizational framework. Over the past year, we have successfully identified material topics and assessed associated risks and opportunities, aligning our ESG strategy with our business operations. We have also established policies in accordance with the National Guidelines on Responsible Business Conduct (NGRBC) principles and commenced tracking Scope 3 emissions to manage our carbon footprint effectively. ASEL remains committed to leveraging best practices for continuous improvement, ensuring that our ESG commitments result in meaningful outcomes.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility & sustainability report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

The sugar industry is a vital component of India's rural economy, with over 50 million farmers serving as regular suppliers. The K. K. Birla Group of sugar companies, which includes Avadh Sugar, plays a significant and constructive role in the social development and upliftment of people in its command areas. To support societal well-being, the Company organizes demonstration camps to promote better farming methodologies, hosts technical seminars, offers subsidies for high-quality seeds, conducts research into high-yielding and high-sucrose sugarcane varieties, and provides loans to farmers. Additionally, Avadh Sugar has contributed to infrastructural development by establishing schools offering job-oriented education at concessional fees, as well as building hospitals, temples, and other facilities for the benefit of the communities surrounding its plants.

ASEL has established an ESG Policy that aligns with its mission and vision towards Environmental, Social, and Governance (ESG) principles. This policy enhances the Company's internal practices to align with the nine principles of the National Guidelines on Responsible Business Conduct (NGRBCs). Under this policy, ASEL have set measurable targets for ESG matters and is committed to reporting, monitoring, reviewing, and disclosing the outcomes to both employees and shareholders. The Company ensures that all employees are well-informed about the policy and its objectives by providing relevant information, instruction, and training. These efforts demonstrate ASEL's increased commitment to ESG aspects and its dedication to fostering sustainable development.

Particulars	Details
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	Mr Devendra Kumar Sharma, Wholetime Director is the highest authority responsible for implementation of Business Responsibility policies.
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details	Yes, Corporate Social Responsibility (CSR) Committee is responsible for overseeing the implementation of sustainability related initiatives.

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually / Half yearly / Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Policies covering NGRBC principles are reviewed by CSR committee									Policies are being reviewed as and when basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	ASEL has implemented a robust framework to ensure adherence to all pertinent requirements and regulations and it complies with all legal legislation, policy compliance with statutory requirements and rectification of any non-compliance is being looked after by the Whole-time Director and CSR committee on as and when required basis.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency

No

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

- Note 1:** P1: Code of Conduct; Suppliers' Code of Conduct and Whistleblower Policy
 P2: Product Responsibility Policy; and Sustainability Policy
 P3: Human Resource and Employee Relations Policy
 P4: Stakeholder Engagement and Advocacy Policy and Corporate Social Responsibility (CSR) Policy
 P5: Stakeholder Engagement and Advocacy Policy; Suppliers' Code of Conduct and Health, Safety, Security, Environment & Quality Policy
 P6: Health, Safety, Security, Environment & Quality Policy; Suppliers' Code of Conduct and Sustainability Policy
 P7: Stakeholder Engagement and Advocacy Policy
 P8: Stakeholder Engagement and Advocacy Policy; Sustainability Policy and Corporate Social Responsibility (CSR) Policy
 P9: Product Responsibility Policy

Section C - Principle Wise Performance Disclosur

PRINCIPLE 1. Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Training and awareness programs were conducted on the nine (9) Principles of NGRBC	100%
Key Managerial Personnel			
Employees other than BOD and KMPs			
Workers			

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year,

Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			Nil		
Settlement					
Compounding fee					
Non- Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment			Nil		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies / judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

ASEL has established a comprehensive Code of Conduct policy that articulates the principles of honesty, ethical behavior, and fairness expected from all employees, including directors, key managerial personnel, and senior management. This policy mandates the highest levels of personal and professional integrity. The Code of Conduct also prohibits directors, key managerial personnel, and senior management from receiving or offering gifts, donations, or benefits that could be perceived as unethical, allowing only nominal commemorative gifts. Additionally, ASEL's Whistle Blower policy, applicable to all employees and directors, defines unethical and improper practices. It provides clear guidelines for accessing the Ombudsperson and details the mechanisms and remedies available for whistleblowing. Moreover, ASEL requires its suppliers to conduct their business ethically and comply with relevant laws as specified in the Supplier's Code of Conduct.

<http://birla-sugar.com/Assets/Avadh/Avadh-Sugar-Code-of-Conduct.pdf>

<http://www.birla-sugar.com/Assets/Avadh/Avadh-Sugar-Whistle-Blower-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Case Details	FY 23-24	FY 22-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

Particulars	FY 23-24		FY 22-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 23-24	FY 22-23
Number of days of accounts payables	57 Days	59 Days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 23-24	FY 22-23
Concentration of Purchases*	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NA	NA
	b. Sales (Sales to related parties / Total Sales)	NA	NA
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NA	NA
	d. Investments (Investments in related parties / Total Investments made)	NA	NA

*Interpretation of Trading House as per guidance given under the Income Tax Act, 1961, refers to a business that primarily engages in trading and export of various goods or products. Such businesses often play a crucial role in facilitating international trade by sourcing, purchasing, and selling goods to international markets.'

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year

Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Training and awareness programs were conducted on the nine (9) Principles of NGRBC	40%

2. Does the entity have processes in place to avoid/ manage conflict of interest involving members of the Board/ KMPs? (Yes/No) If yes, provide details of the same.

Yes. Conflict of Interest Clause forming part of Code of Conduct mandates that directors, KMPs, and senior management personnel must always act in the best interests of the Company and avoid any situation where their personal interests may conflict or appear to conflict with those of the Company. Any individual aware of an actual or potential conflict must promptly disclose it to the Board of Directors (for KMPs and senior management) or to the Chairperson (for directors). To mitigate conflicts, directors and KMPs are prohibited from receiving personal benefits from entities seeking to do business with the Company, participating in decisions where they have a direct or indirect interest, and receiving remuneration for services rendered for the Company from any source other than the Company itself. These measures are designed to uphold the highest standards of integrity and transparency within the organization.

PRINCIPLE 2. Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY'24	FY'23	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	₹5,423.91 lakhs	-

- Does the entity have procedures in place for sustainable sourcing? Yes
 - If yes, what percentage of inputs were sourced sustainably?

The Company procures nearly 100% of its raw materials sustainably from the cane-growing areas around its sugar mills. Sourcing raw materials from nearby locations allows the Company to minimize transportation costs effectively. Additionally, a portion of the sugarcane is transported to the mill using bullock carts, contributing to reduced pollution levels.

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste

Plastics (including packaging)	Plastic is used for packaging certain products which is subsequently reclaimed by a CPCB-registered third party. Additionally, we ensure that all plastic we introduce into the market is offset by meeting our Extended Producer Responsibility requirements as stipulated in the Plastic Waste Management Rule, 2018.
E-waste	The Company's products and packaging materials do not contain electrical or electronic components, which means that no E-waste is generated during the production, use, or disposal of our products.
Hazardous waste	The packaging of our products sold does not generate any hazardous waste due to its characteristics
Other Waste	NIL

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

EPR is applicable to ASEL under the Central Pollution Control Board (CPCB) guidelines. We are committed towards following the rules and regulations governing EPR and registered with the respective authority.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

No.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action taken
No		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 23-24	FY 22-23
Molasses: It is a thick, dark syrup that is a byproduct of the sugar refining process. Rich in nutrients like iron and calcium, it is used in baking, animal feed, fermentation for alcohol (ethanol) production, and as a soil conditioner. *	-	-
Bagasse: It is the fibrous material that remains after crushing sugarcane stalks to extract their juice. It has various use cases, including serving as a raw material for paper production and biodegradable products. However, its primary use is as a biofuel in furnaces to produce steam, which generates power.	More than 10%	More than 10%

*Almost 100% of the molasses generated through cane crushing operation is utilized to manufacture ethanol.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format.

Particulars	FY 23-24			FY 22-23		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable	

PRINCIPLE 3. Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	Health Insurance		Life/Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	487	487	100.0%	487	100.0%	NA	NA	-	0.0%	-	0.0%
Female	1	1	100.0%	-	0.0%	1	100.0%	-	0.0%	-	0.0%
Total	488	488	100.0%	488	100.0%	1	100.0%	-	0.0%	-	0.0%
Other than Permanent Employees											
Male	438	438	100.0%	438	100.0%	NA	NA	-	0.0%	-	0.0%
Female	1	1	100.0%	1	100.0%	1	100.0%	-	0.0%	-	0.0%
Total	439	439	100.0%	439	100.0%	1	100.0%	-	0.0%	-	0.0%

1. b. Details of measures for the well-being of workers:

Category	Total (A)	Health Insurance		Life/Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	342	342	100.0%	342	100.0%	NA	NA	-	0.0%	-	0.0%
Female	-	-	0.0%	-	0.0%	-	0.0%	NA	NA	-	0.0%
Total	342	342	100.0%	342	100.0%	-	0.0%	-	0.0%	-	0.0%
Other than Permanent Workers											
Male	751	751	100.0%	751	100.0%	NA	NA	-	0.0%	-	0.0%
Female	-	-	0.0%	-	0.0%	-	0.0%	NA	NA	-	0.0%
Total	751	751	100.0%	751	100.0%	-	0.0%	-	0.0%	-	0.0%

1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

Particulars	FY 2023 - 24	FY 2022 - 23
Cost incurred on well-being measures as a % of total revenue of the company	0.1%	0.1%

2. Details of retirement benefits for current and previous financial year

Benefits	FY 23-24			FY 22-23*		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.0%	100.0%	Yes	99.0%	99.0%	Yes
Gratuity	100.0%	100.0%	Yes	89.0%	91.4%	Yes
ESI	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

All the premises of the Company except the plant area are accessible to differently abled visitors. Wheelchair ramps and appropriate signages are provided for the convenience of differently abled visitors.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. ASEL recognizes that human resources are the backbone of the organization and that fostering a culture of mutual trust, respect, fairness, and transparency is crucial for the success and well-being of employees. ASEL has implemented Human Resource and Employee Relations (HRER) and Equal Opportunity policies that ensure non-discrimination in recruitment and employment based on caste, creed, gender, race, religion, disability, or sexual orientation. These policies also mandate that physical infrastructure complies with accessibility standards prescribed by the Government of India. The selection process for all candidates, including those with disabilities, is merit-based and focuses solely on skills and competence.

<https://www.birla-sugar.com/Assets/Avadh/2-HR-ER-POLICY.pdf>

<https://www.birla-sugar.com/Assets/Avadh/Equal%20Opportunity%20Policy%20ASEL.pdf>

5. Return to work and retention rates of permanent employees and workers that took parental leave. –

Gender	Permanent Employees		Permanent Workers	
	Return to Work rate in %	Retention rate in %	Return to Work rate in %	Retention rate in %
Male	No cases of parental leave		No cases of parental leave	
Female				
Total				

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No	If yes, then give details of the mechanism in brief
Permanent Employees	Yes	The Company has a comprehensive Grievance Redressal Policy, with mechanisms for receiving and addressing grievances that vary depending on the nature of the complaint. The HR department manages employee relations and is the primary point of contact for filing complaints or grievances. Additionally, the Company has a robust Whistle Blower Policy that allows employees to confidentially report ethical concerns such as fraud or corruption without fear of retaliation. Employees are also supported by labour unions and can file complaints through their union, which are carefully evaluated and addressed by the Company. Committed to adhering to all social regulations and compliances, the Company fosters a positive and inclusive workplace culture. In case of any regulatory or policy violations, the Company takes prompt and appropriate action to address the issue and prevent future occurrences.
Other than Permanent Employees	Yes	
Permanent Workers	Yes	
Other than Permanent Workers	Yes	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity.

Category	FY 23-24			FY 22-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	487	7	1.4%	503	16	3.2%
Female	1	-	0.0%	1	-	0.0%
Total	488	7	1.4%	504	16	3.2%
Total Permanent Workers						
Male	342	15	4.4%	408	22	5.4%
Female	-	-	0.0%	0	-	-
Total	342	15	4.4%	408	22	5.4%

* Note: Total number of permanent employees & workers is restated for the FY (22-23).

8. Details of training given to employees

Category	FY 23-24					FY 22-23				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	925	698	75.5%	708	76.6%	903	632	70.0%	685	75.9%
Female	2	2	100.0%	2	100.0%	2	1	50.0%	-	0.0%
Total	927	700	75.5%	710	76.6%	905	633	69.9%	685	75.9%
Workers										
Male	1,093	714	65.3%	764	69.9%	1180	773	65.5%	926	78.5%
Female	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Total	1,093	714	65.3%	764	69.9%	1180	773	65.5%	926	78.5%

9. Details of performance and career development reviews of employees

Category	FY 23-24			FY 22-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	925	691	74.7%	903	634	70.2%
Female	2	2	100.0%	2	1	50%
Total	927	693	74.8%	905	635	70.2%
Workers						
Male	1093	799	73.1%	1180	774	65.6%
Female	-	-	0.0%	0	0	0%
Total	1093	799	73.1%	1180	774	65.6%

10. Health and Safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes. ASEL has implemented a comprehensive occupational health and safety management system that underscores the Company's commitment to maintaining high standards in health, safety, security, environment, and quality (HSSEQ) across all business operations. This system encompasses compliance with all relevant statutory and legal requirements related to HSSEQ and strives to adopt international best practices. It includes measures to minimize occupational health and safety risks, pollution, and waste, while promoting resource

conservation. The Company provides necessary financial and human resources for continuous improvement, conducts regular audits and risk assessments, and integrates HSSEQ parameters in decision-making processes. Additionally, it ensures stakeholder engagement, communication, and training to enhance HSSEQ awareness and competence. Furthermore, ASEL's health and safety policy ensures thorough coverage and protection for all employees. The management is committed to the well-being of its workforce by developing and executing a detailed plan aimed at safeguarding their health and safety, achieving 100% coverage.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

ASEL prioritizes the identification of work-related hazards and the assessment of risks as a fundamental component of maintaining a safe and healthy workplace for its employees. The Company conducts regular audits, facilitated by internal and external experts, to detect potential hazards and provide recommendations for preventing accidents and injuries. These audits are supplemented by surprise health and safety audits, ensuring a robust hazard identification process.

ASEL's hazard identification process is rigorously audited by a cross-functional team and reviewed during safety committee meetings with top management. In the event of system deviations, workplace environmental upsets, incidents, accidents, or ill health, prompt corrective and preventive measures are implemented through proper investigation and Root Cause Analysis.

HSSEQ parameters are integrated into all decisions regarding the purchase of equipment, machinery, and materials, as well as in the selection and placement of personnel and service providers. The Company has instituted a systematic process for hazard identification across various sections of the plant, with a dedicated safety committee conducting risk assessments. This initiative is supported by higher management through training and workshops to enhance employees' ability to identify work-related hazards effectively.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. ASEL through its HSSEQ systems make continual efforts to create a pro-active and learning organization to enhance HSSEQ awareness and competence among employees, business associates and community through effective stakeholder engagement, communication, and training. Regular dialogue and engagement exercises are conducted with workers to understand if there are any work-related hazards being encountered and accordingly develop action plans.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. ASEL ensures that all its employees and workers have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incidents/Numbers	Category	FY 23-24	FY 22-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	4
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

ASEL implements comprehensive measures to ensure a safe and healthy workplace, reflecting its commitment to the health, safety, and security of its employees and workers. The Company's policy is supported by robust implementation mechanisms, including annual safety audits conducted by independent third-party auditors in accordance with BIS-

14489 and Rule No. (10)(4) of the Manufacture, Storage, and Import of Hazardous Chemicals Rules 1989. ASEL's safety committee continuously oversees safety preparedness across all facilities, holding frequent meetings with a particular focus on boiler safety precautions. Onsite emergency plans are developed by an independent agency, detailing analyses of potential accident types, triggering events, and hazards within the premises. Comprehensive safety training is provided to all employees and workers, including security and contractual staff, covering emergency assembly points, shutdown procedures, communication methods, and recommissioning assessments. Regular fire safety drills are conducted to rehearse emergency situations, including communication protocols with internal and external authorities, activation of alarm systems, firefighting, first aid, and medical management procedures. These drills ensure that all health and safety requirements are met and potential incidents are effectively mitigated. Additionally, ASEL promotes a harassment-free workplace through systems and practices that enable employees to discharge their responsibilities with confidence, thereby enhancing overall workplace safety and security.

13. Number of complaints on the following made by employees and workers

Type	FY 23-24			FY 22-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	-	NIL	NIL	-
Health & Safety	NIL	NIL		NIL	NIL	

14. Assessments for the year:

Type	% of your plants and offices that were assessed* (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of Health & Safety practices and working conditions.

In response to recommendations from safety committee meetings and safety audit plant reports, ASEL is currently implementing several corrective actions to enhance workplace safety and address significant risks and concerns. To better manage emergencies, the company is evaluating the establishment of a more spacious assembly point for employee gatherings. Additionally, there are plans to enhance the visibility of the safety policy, safe operation procedures, and fire prevention cautionary boards, particularly in the bagasse area. Comprehensive employee training programs are being developed, focusing on accident prevention principles, plant housekeeping, safe handling of chemicals and ethanol, and the proper use of personal protective equipment (PPE). Efforts are also underway to improve the display of first aid charts and single-line diagrams for handling electrical equipment in MCC Rooms. Maintenance initiatives include the upkeep of electrical paneling and circuit breakers, as well as the improved display of material safety data. ASEL remains steadfast in its commitment to providing safe and healthy working conditions, continually reviewing, updating, and enhancing its health and safety practices.

Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Yes

- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company is highly vigilant about ensuring that its value chain partners discharge their obligations in respect of workers' rights and welfare. The Company ensures that applicable labour laws are complied with, in letter and spirit.

- Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment*:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 23-24	FY 22-23	FY 23-24	FY 22-23
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

- Details on assessment of value chain partners:

Type	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	80%
Working Conditions	80%

- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No corrective action plan has been necessitated on the above-mentioned parameters.

PRINCIPLE 4. Businesses should respect the interests of and be responsive to all its stakeholders

- Describe the processes for identifying key stakeholder groups of the entity.

ASEL recognizes the critical importance of effective stakeholder engagement for achieving sustainability and inclusive growth and employs a systematic approach to identify key stakeholders. This process begins with structured qualitative methods, including internal brainstorming sessions to pinpoint the diverse individuals and entities impacted by the organization's activities, particularly within the complex sugar industry, which involves farmers, associations, sugarcane development societies, and councils. Following identification, ASEL conducts a thorough stakeholder analysis, assessing each stakeholder based on their power, legitimacy, and urgency. This analysis enables the classification and prioritization of stakeholders into categories such as disadvantaged, vulnerable, marginalized, or non-marginalized groups. ASEL's engagement strategy is meticulously designed to address the concerns and expectations of all stakeholders, with a special emphasis on those who are disadvantaged, vulnerable, or marginalized. By integrating respect for human rights into its management systems and ensuring access to grievance mechanisms, ASEL fosters transparent and ethical interactions with stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Sr. No	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of Engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Employees	No	E-mails, Meetings, Notice Board, town halls, goal setting and performance appraisal meetings / review, exit interviews, engagement survey	Regularly	To understand employee grievances, problems faced in the day-to-day workings; any suggestions or feedback for improvement in the on-going practices within the organisation.
2	Farmers	Yes	Focus group discussions with farmers' representatives	Regularly	The main stakeholders at the local level are the farmers who grow sugar cane. The farmers are regularly engaged through farmer associations and representatives to understand their concerns with respect to yield, pricing etc.
3	Government	No	Advocacy meetings with local / state / national government and ministries, seminars, media releases, conferences, membership with industry bodies	On going	Changes in regulatory frameworks, employment, environmental measures, policy advocacy, local infrastructure, proactive engagement
4	Customers	No	E-mails, Feedback forms, Online survey	Regularly	As the company is the B2B market it regularly requests for feedback from customers with respect to sugar quality viz. colour, moisture, fine grains, and pricing of the product.
5	Shareholders	No	Quarterly reports, Annual Meetings, Annual Reports.	Quarterly	Purpose of engagement with shareholders is to apprise them about the financial performance of the company. ASEL chairman and directors also address any queries that the shareholders may have with respect to firm's operations and performance.
6	Community	Yes	Meets (of community / local authority and town council / committee / location head), community visits and projects, partnership with local charities, volunteerism, seminars / conferences.	All year round	Local communities surrounding the ASEL's plants are recognised as marginalised groups and the purpose of engagement is to understand their concerns. This helps the company to accordingly implement practices for their upliftment.

Leadership Indicators

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

No

PRINCIPLE 5. Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the Company:

Category	FY 23-24			FY 22-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	488	235	48.2%	667	163	24.4%
Other than permanent	439	349	79.5%	238	149	62.6%
Total Employees	927	584	63.0%	905	312	34.5%
Workers						
Permanent	342	93	27.2%	754	217	28.8%
Other than permanent	751	536	71.4%	426	211	49.5%
Total Employees	1,093	629	57.5%	1,180	428	36.3%

Note: ASEL has human rights trainings for its permanent category of employees and workers as a part of their training programme conducted on regular basis. Also, The Company has focused on providing and spreading human rights awareness within the other than permanent category.

2. Details of minimum wages paid to employees and workers:

Category	FY 23-24					FY 22-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	488	6	1.2%	482	98.8%	667	164	24.6%	586	87.9%
Male	487	6	1.2%	481	98.8%	666	164	24.6%	585	87.8%
Female	1	-	0.0%	1	100.0%	1	-	0.0%	1	100.0%
Other than Permanent	439	15	3.4%	424	96.6%	238	90	37.8%	148	62.5%
Male	438	15	3.4%	423	96.6%	237	89	37.6%	148	62.5%
Female	1	-	0.0%	1	100.0%	1	1	100.0%	0	0%
Workers										
Permanent	342	3	0.9%	339	99.1%	754	296	39.3%	614	81.4%
Male	342	3	0.9%	339	99.1%	754	296	39.3%	614	81.4%
Female	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Other than Permanent	751	55	7.3%	696	92.7%	426	334	78.4%	92	21.6%
Male	751	55	7.3%	696	92.7%	426	334	78.4%	92	21.6%
Female	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%

3. Details of remuneration/salary/wages

a. Median remuneration/ wages:

Category	Male		Female	
	Number	Median remuneration/ salary / wages of respective category	Number	Median remuneration/ salary /wages of respective category
Board of Directors [^]	5	14,00,000.0	2	13,30,000.0
Key Managerial Personnel	2	1,80,16,600.0	1	4,78,090.0
Employees other than BoD and KMP	923	4,03,623.0	2	3,35,010.0
Workers	1093	3,79,227.0	-	-

[^]Sitting fees and commission are reported to the Board of Directors. Whole time director remuneration is reported under Key Managerial Personnel

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 23 -24	FY 22 - 23
Gross wages paid to females as % of total wages	0.1%	0.1%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

ASEL has established a focal point for addressing human rights impacts and issues caused or contributed to by the business. ASEL's commitment to human rights is embedded in various policies, including the Stakeholder Engagement Policy, Code of Conduct, Whistle Blower Policy, and Supplier's Code of Conduct. These policies collectively emphasize the respect for human rights of all stakeholders, particularly vulnerable and marginalized groups, and extend this commitment across the entire business value chain. The Code of Conduct ensure non-discrimination and equal treatment for internal stakeholders, addressing all individuals based solely on their abilities, without regard to race, caste, creed, religion, age, disability, gender, sexual orientation, or marital status. ASEL is dedicated to maintaining a harassment-free work environment, with specific mechanisms to prevent and address

complaints of sexual harassment. The Supplier Code of Conduct extends these principles to the supply chain, mandating suppliers to uphold labor and human rights rigorously, including prohibiting child labor, forced labor, and discrimination, while ensuring fair and respectful treatment of employees/workers.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

ASEL's grievance redressal policy ensures a swift and effective mechanism for addressing stakeholder concerns, fostering strong stakeholder relations and confidence. Applicable to all individuals associated with ASEL, including permanent, temporary, and contractual employees/workers, directors, consultants, contractors, and partners, the policy provides a reliable contact point for queries and grievances. The Grievance Redressal Mechanism covers all stakeholders, who can report concerns via a dedicated email ID. The Company Secretary & Compliance Officer oversees compliance and ensures timely and fair resolution of complaints, maintaining confidentiality throughout. Continuous process improvements are made based on stakeholder feedback. Also, ASEL have appointed labour welfare officer for each of its units who is responsible for addressing any grievance or complaints.

The Company reinforces this commitment through various mechanisms, including the Legal Department, and Audit Committee, which facilitate the resolution of grievances from all stakeholders. ASEL upholds an open-door policy, welcoming all employees/workers –whether permanent, temporary, or contractual—to freely discuss any concerns related to human rights, ethics, or other matters.

6. Number of complaints on the following made by employees and workers:

Particulars	FY 23-24			FY 22-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	-	NIL	NIL	-
Discrimination at Workplace	NIL	NIL		NIL	NIL	
Child Labour	NIL	NIL		NIL	NIL	
Forced Labor / Involuntary Labour	NIL	NIL		NIL	NIL	
Wages	NIL	NIL		NIL	NIL	
Other Human Rights Related Issues	NIL	NIL		NIL	NIL	

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 23 - 24	FY 22 - 23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees / workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

ASEL's culture upholds respect and dignity for all employees. Various mechanisms are in place to protect complainants, with the primary method being the maintenance of confidentiality. To prevent any adverse repercussions for the complainant, their identity is fully kept confidential if possible. ASEL's grievance redressal policy is implemented with the focus of ensuring confidentiality of the complainant's information in order to prevent adverse consequences to the complainant. Also, the Whistle Blower Policy specifies that inquiries should be conducted with strict confidentiality, ensuring a fair and unbiased process for complete fact-finding. Additionally, the Ombudsman and the Audit Committee are responsible for maintaining the confidentiality of whistleblowers and witnesses who provide information. The Company's Code of Conduct includes a clause for the prevention of sexual harassment, ensuring a non-hostile work environment free of harassment and discrimination, particularly for women, and outlines measures for protection and redressal of complaints.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. The company ensures the incorporation of human rights clauses in all external agreements, with specific language in supplier contracts detailing expectations for human rights protection. Suppliers are required to respect human rights by prohibiting forced labor, child labor, and discrimination. Additionally, suppliers must uphold their employees' rights to freedom of association, participation, and collective bargaining. Before being onboarded by the company, all suppliers must agree to and sign these categorical requirements. To guarantee adherence to these human rights standards, ASEL has implemented mechanisms for regular monitoring and compliance checks.

10. Assessments for the year

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	NIL
Forced Labour / Involuntary Labour	NIL
Sexual Harassment	NIL
Discrimination at workplace	NIL
Wages	NIL

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

None

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

All the premises of the Company except the plant area are accessible to differently abled visitors. Wheelchair ramps and appropriate signages are provided for the convenience of differently abled visitors.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at Workplace	NIL
Child Labour	NIL
Forced Labour/Involuntary Labour	NIL
Wages	NIL

PRINCIPLE 6. Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY'24	FY'23
From renewable sources		
Total electricity consumption (A) (GJ)	-	-
Energy fuel consumption (B) (GJ)	1,36,32,021.9	1,67,20,784.2
Energy consumption through other sources (C) (GJ)	-	-
Total energy consumed from renewable sources (A+B+C)	1,36,32,021.9	1,67,20,784.2
From non – renewable sources		
Total electricity consumption (D) (GJ)	2,474.1	4,078.3
Total fuel consumption (E) (GJ)	3,271.7	-
Energy consumption through other sources (F) (GJ)	-	-
Total energy consumed from non – renewable sources (D+E+F) (GJ)	5,745.8	4,078.3
Total energy consumed (A+B+C+D+E+F) (GJ)	1,36,37,767.7	1,67,24,862.5
Energy intensity per rupee of turnover (GJ/₹ in millions) (Total energy consumed/ Revenue from operations)	0.00051	0.00060
Energy intensity per rupee of turnover adjusted for Purchasing Price Parity (PPP) (GJ/₹ in millions) (Total energy consumed / Revenue from operations adjusted For PPP)	0.01061	0.01253
	-	-
Energy intensity in terms of physical output (GJ/MT of product sold)*	13.2	15.5

*Product sold includes sugar, molasses, bagasse and ethanol.

^In accordance with the BRSR guidelines, self-generated renewable electricity consumption is reported solely as fuel consumption. Also, electricity consumption for FY 22-23 has been restated as per IPCC guidelines to ensure comparability of information.

Note: if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No. None of our sites comes under PAT scheme as Designated Consumers.

3. Provide details of the following disclosures related to water:

Parameter	FY'24	FY'23
Water withdrawal by source (in kilolitres) – values in m3		
(i) Surface water		-
(ii) Groundwater	13,06,998.0	11,15,671.0
(iii) Third party water		-
(iv) Seawater / desalinated water		-
(v) Others		-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	13,06,998.0	11,15,671.0
Total volume of water consumption (in kilolitres)	13,06,998.0	11,15,671.0
Water intensity per rupee of turnover (Kilolitres / ₹) (Total water consumption / Revenue from operations)	0.00005	0.00004
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Kilolitres / ₹ in millions) (Total Water Consumption / Revenue from Operations adjusted for PPP)	0.00102	0.00084
Water intensity in terms of physical output (KL/MT of product sold)*	1.3	1.0

*Product sold includes sugar, molasses, bagasse and ethanol.

Note: If any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

4. Provide the following details related for water discharge:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment		-
- With treatment – please specify level of treatment	10,27,238.0	8,50,895.0
(ii) To Groundwater		
- No treatment		-
- With treatment – please specify level of treatment	1,42,586.0	-
(iii) To Seawater		
- No treatment		-
- With treatment – please specify level of treatment		-
(iv) Sent to third-parties		
- No treatment		-
- With treatment – please specify level of treatment		-
(v) Others		
- No treatment		-
- With treatment – Water treated with Tertiary treatment level in ETP		-
Total water discharged (in kilolitres)	11,69,824.0	8,50,895.0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. The Company is one of the few sugar factories to work towards achieving Zero Liquid Discharge (ZLD) for all its distilleries.

6. Please provide details of air emissions (other than GHG emissions) by the entity -

Parameter	Unit	FY 23-24	FY 22-23
NOx	kg	0.0164	Not Available
Sox	kg	0.0102	Not Available
Particulate matter (PM)	mg/Nm ³	2,508.9	423.90
Persistent organic pollutants (POP)	kg	Not available	Not available
Volatile organic compounds (VOC)	kg	Not available	Not available
Hazardous air pollutants (HAP)	kg	Not available	Not available

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 23-24	FY 22-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MTCO ₂ e	51,801.2	20,69,079.5
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ if available)	MTCO ₂ e	492.1	811.1
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MTCO ₂ e / ₹ in Million	0.000002	0.000074
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MTCO ₂ e / ₹ in Million	0.000041	0.001551
Total Scope 1 and Scope 2 emission intensity in terms of physical output*	MTCO ₂ e / MT of product sold	0.1	1.9

*Products sold includes sugar, molasses, bagasse and ethanol.

Note: The Company has calculated its Scope 1 and Scope 2 emissions in accordance with the IPCC guidelines and the GHG Protocol. This methodology has resulted in a significant decrease in reported Scope 1 emissions due to the exclusion of emissions from biofuels, which are considered out of scope or classified as avoided emissions. Consequently, 1.36 million metric tons of CO₂ emissions have not been included in the Scope 1 emissions for the current year. Also, Scope 2 emissions has been restated in accordance with IPCC guidelines and GHG protocol.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

No. The Company currently does not have any active projects on reducing Green House Gas emission. However, the organization is committed to minimizing its emissions and carbon footprint.

9. Provide details related to waste management by the entity

Parameter	FY 23-24	FY 22-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	687.8	354.8
E-waste (B)	0.9	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	2.9	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	2.5	3.2
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	457.1	616.6
Total (A+B + C + D + E + F + G + H)	1,151.2	974.6
Waste intensity per rupee of turnover (Metric ton / ₹ in million) (Total waste generated / Revenue from operations)	0.00000004	0.00000003
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Metric ton / ₹ in million) (Total waste generated / Revenue from operations adjusted for PPP)	0.00000090	0.00000073
Waste intensity in terms of physical output (MT/MT of product sold) *	0.001	0.001
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1,150.5	970.6
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	1,150.5	970.6
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.7	4.0
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	0.7	4.0

*Product sold includes sugar, molasses, bagasse and ethanol.

^Numbers have been restated to ensure comparability of information

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our sugar production from sugarcane exemplifies an eco-friendly cycle, where by-products like bagasse are used for power generation, molasses for distillery products, and press mud and ash for organic manure. We have established comprehensive waste management guidelines for all units, covering both hazardous and non-hazardous waste, with regular performance monitoring. Consequently, most by-products and waste from our manufacturing processes are effectively recycled. We strictly adhere to all applicable norms for liquid effluent management, evidenced by our sewage treatment plant's capacity to treat up to 200 liters per ton of crushed cane. One of our production units operates as a Zero Liquid Discharge (ZLD) unit, and there is no distillery spent wash generated.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required.

Sr No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project.	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
NIL					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.

S. No	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	None	NA	NA	NA

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area:
(ii) Nature of operations:

Parameters	FY 24	FY 23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater/ desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover) (KL/Million Rupees)	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
- Please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
- Please specify level of treatment	-	-

Parameters	FY 24	FY 23
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
- Please specify level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
- Please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

Sr No	Initiative Undertaken	Details of the initiative (Web- link, if any, may be provided along-with summary)	Outcome of the initiative
		Not Applicable	

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

None

PRINCIPLE 7. Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. 5
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

Sr. no.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Indian Sugar Mills Association	National
2	UP Sugar Mills Association	State
3	Confederation of Indian Industry	National
4	Federation of Indian Chamber of Commerce and Industry	National
5	Associated Chambers of Commerce and Industry of India	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

The company has no complaints or issues in progress regarding anti-competitive conduct. Hence, corrective actions on these issues are not applicable for ASEL.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web link, if available
NIL					

PRINCIPLE 8. Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Sr. No	Name of Project for which R&R is ongoing	Corrective action taken	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
NIL							

3. Describe the mechanisms to receive and redress grievances of the community

The company actively engages with the community by holding group meetings with panchayat representatives, enabling the company to identify and understand any community issues or concerns. These meetings provide a platform for the community to address problems or complaints through informal communication with the company. Additionally, ASEL has established a dedicated email address for the community to communicate any concerns formally and directly.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Particulars	FY 23-24	FY 22-23
Directly sourced from MSMEs/ small producers	2.1%	1.8%
Directly from within India	100.0%	100.0%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY23-24	FY22-23
Rural	-	-
Semi-urban	-	-
Urban	95.3%	94.4%
Metropolitan	4.7%	5.6%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by Not Applicable entity in designated aspirational districts as identified by government bodies

Sr. No.	State	Aspirational District	Amount spent (In ₹)
Not Applicable			

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

PRINCIPLE 9. Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

As part of ASEL's product policy, any matters raised by customers through any mode of communication are promptly and appropriately addressed. Consumers have multiple channels to reach out to the company. For complaints, feedback, or suggestions, they can directly contact the company via telephone or email. Additionally, specific consumer issues can be raised with the sales representative or channel partner with whom they have regular contact.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to the total turnover
Environmental and social parameters relevant to the product	All our products meet regulatory requirements, with necessary information and FSSAI certification details disclosed on all packaging.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Particulars	FY 23-24			FY 22-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	-	NIL	NIL	-
Advertising	NIL	NIL		NIL	NIL	
Cyber-security	NIL	NIL		NIL	NIL	
Delivery of essential services	NIL	NIL		NIL	NIL	
Restrictive Trade Practices	NIL	NIL		NIL	NIL	
Unfair Trade Practices	NIL	NIL		NIL	NIL	
Other	NIL	NIL		NIL	NIL	

4. Details of instances of product recalls on account of safety issues

Particulars	Number	Reasons for recalls
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes.

A framework / policy relating to cyber security and data privacy is available on ASEL's intranet portal.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There are no issues with respect to advertising, data privacy or product re-calls. Hence, undertaking corrective actions on such parameters is not applicable.

7. Information relating to data breaches:

a. Number of instances of data breaches:

No data breach incident

b. Percentage of data breaches involving personally identifiable information of customer:

0%

c. Impact, if any, of the data breaches

Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)

Information relating to the products can be accessed at <http://www.birla-sugar.com/Our-Products>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

ASEL adheres to the statutory requirements and have disclosed required information on its products.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

ASEL adheres to the statutory requirements and have disclosed required information on its products. There was no survey conducted by the Company with regard to customer satisfaction.

Independent Auditor's Report

To the Members of
Avadh Sugar and Energy Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Avadh Sugar and Energy Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India

together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements

Key audit matters	How our audit addressed the key audit matter
<p>Determination of Cost of Inventory of sugar (as described in note 8 of the financial statements)</p> <p>As on 31st March, 2024, the Company had inventory of sugar with the carrying value of ₹1,30,787.99 Lakhs. The inventory of sugar is valued at lower of cost and net realisable value.</p> <p>The amount of the inventory of sugar as on March 31, 2024 is significant to the financial statements and significant judgement is involved in determining the cost of inventory of sugar and its by-products because of seasonal factors such as recovery from sugarcane and allocation of cost to by-products based on net realisable value.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessed and evaluated the accounting policy followed for valuation of inventory of sugar and its by-products and its appropriateness thereof with respect to relevant Indian Accounting Standards. Obtained an understanding and tested the design and operating effectiveness of controls as established by the management in determination of cost of inventory of sugar.

Key audit matters	How our audit addressed the key audit matter
<p>Accordingly, determination of cost of sugar inventory was considered to be a key audit matter in our audit of the financial statements.</p>	<ul style="list-style-type: none"> • Tested the method used by the Company for arriving at the cost of inventory of sugar. Evaluated the reliability, accuracy and completeness of the data used by the management in computing the cost of conversion, net realisable value of by-products and tested the mathematical accuracy of the calculations used by the Company to determine the cost of inventory of sugar. • Assessed the adequacy of disclosures in the financial statements.
<p>Recoverability of Deferred Tax Asset pertaining to Minimum Alternate Tax (MAT) credit entitlement <i>(as described in note 25 of the financial statements)</i></p>	
<p>As on 31st March, 2024, the Company has Deferred Tax Asset pertaining to Minimum Alternate Tax (MAT) credit entitlement amounting to ₹ 7,776.74 Lakhs.</p> <p>The utilization of this asset will be through offsetting it when the Company pays normal taxes under the provision of Income Tax Act, 1961. Therefore, the recoverability of MAT credit entitlement is dependent upon generation of sufficient future taxable profits within the stipulated period prescribed under the Income Tax Act, 1961.</p> <p>Significant estimation is involved in projecting future taxable profits and other assumptions affected by expected future market or economic conditions.</p> <p>Accordingly, recoverability of MAT credit entitlement was determined to be a key audit matter in our audit of the financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Assessed and evaluated the accounting policy of MAT credit entitlement in terms of relevant Indian Accounting Standards in this respect. • Obtained an understanding of the income tax computation process for normal tax and minimum alternate tax and reviewed controls around recognition and recoverability of MAT credit entitlement. Evaluated the design and tested the effectiveness of relevant controls in this regard. • Evaluated whether convincing evidence is available that the Company will pay normal income tax during the period for which the MAT credit can be carried forward under the Income Tax Act, 1961. We also assessed the tax planning strategies, budgets and the plans prepared by the management and the relevant tax legislations. • Evaluated the correspondences/returns submitted to the relevant tax authorities and compared these with the accounting records. • Assessed the adequacy of disclosures in the financial statements

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Business Responsibility & Sustainability Report and Report on Corporate Governance, 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 such 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 for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income,

cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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.
- 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 for the financial year ended March 31, 2024 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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i) vi below on reporting under Rule 11(g);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) vi below on reporting under Rule 11(g)
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 37 to the 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 its knowledge and belief, other than as disclosed in the note 47 to the financial statements, 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 persons or entities, 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 its knowledge and belief, other than as disclosed in the note 47 to the financial statements, no funds

- have been received by the Company from any persons or entities, 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 such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 18 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with

section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, and as explained in note 45 to the financial statements, the Company has used 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 except that, audit trail feature is not enabled for direct changes to data when using administrator access rights in SAP Application and also not enabled at the database level for the Sugarcane Purchase Software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Membership Number: 060352

UDIN: 24060352BKFTFM6747

Place of Signature: Kolkata

Date: May 13, 2024

Annexure 1 referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

To the Members of
Avadh Sugar and Energy Limited

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment has been physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4 to the financial statements are held in the name of the Company except for the immovable properties as indicated in the below mentioned cases and as disclosed in note 20 and note 39 to the financial statements for which title deeds were not available with the Company and hence we are unable to comment on the same.

Description of property	Gross carrying value (₹in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land	2093.83	The erstwhile company	No	April 01, 2015	Refer note 39 of the financial statements
Freehold Land	160.88	The erstwhile company	No	April 01, 2015	
Freehold Land	65.41	Shri Rajesh Sharma	Yes	April 01, 2015	
Freehold Land	12.80	Shri Chagan Lal Giria	No	April 01, 2015	
Freehold Land	0.08	Co-operative Farming Societies	No	April 01, 2015	
Leasehold Land	11.21	The erstwhile company	No	April 01, 2015	Refer note 20 of the financial statements

Certain immovable properties are mortgaged with the lenders and hence, the title deeds are not available with the Company. The same has been confirmed through memorandum of understanding, entered into with the lenders/ confirmations

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such verifications.
- (b) As disclosed in note 19 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are not in agreement with the unaudited books of accounts of the Company and the details are as follows:

(₹ In Lakhs)

Quarter ending	Value per books of account	Value per quarterly return/statement	Amount of Difference	Remarks
Inventories				Refer note 19 (iii) to the financial statements
June 30, 2023	1,00,830.51	1,01,592.50	(761.99)	
September 30, 2023	37,562.30	36,314.84	1,247.46	
December 31, 2023	70,600.62	67,546.17	3,054.45	
March 31, 2024	1,49,497.02	1,60,548.96	(11,051.94)	

The Company do not have sanctioned working capital limits in excess of ₹five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

- (iii) (a) During the year, the Company has provided loans to employees aggregating to ₹281.79 lakhs during the year and the balance outstanding as at 31 March 2024 aggregates to ₹43.36 lakhs. During the year the Company has not provided, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships.
- (b) During the year, the terms and conditions of the grant of all loans to employees are not prejudicial to the Company's interest. During the year the Company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships.
- (c) The Company has granted loans to employees where the schedule of repayment of principal has been stipulated and the receipts are regular. The Company has not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships.
- (d) There are no amount of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) Investments in respect of which provisions of section 186 of the Companies Act, 2013 are applicable have been complied with by the Company. There are no loans, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of sugar and sugar products, spirits & alcohol and Power, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed 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 statutory dues have generally been regularly deposited with the appropriate authorities.
- According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of 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 statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Net of amount paid under protest) (₹in lakhs)	Period to which the amount relates	Forum where dispute is pending
UP Sales Tax Act, 1948	Discount on Molasses	6.39	2006-07	Sales Tax Tribunal, Lucknow, Uttar Pradesh
UP Sales Tax Act, 1948	Taxability on Extra Neutral Alcohol Sale	150.81	2017-18	High Court, Prayagraj, Uttar Pradesh (Lucknow Bench)
Central Sales Tax Act, 1956	Taxability on alcohol sale and other goods	4.60	2012-13	Appellate authority up to the Commissioner's level
The UP Sugarcane (Purchase Tax) Act, 1961	Tax on purchase of sugarcane	217.90	2017-18	High Court, Prayagraj, Uttar Pradesh (Lucknow bench)
UP Excise Act, 1916	Demand for duty on wastage due to accident of tanker	3.30	1997-98 & 2012-13	Supreme Court of India
UP Excise Act, 1916	Duty on wastage on reprocessing of Alcohol	1.46	2019-20	Excise Commissioner, Prayagraj, Uttar Pradesh
Central Excise Act, 1944	Disallowance of Cenvat Credit on Certain inputs / capital items / input services and others	114.92	2007-08 to 2009-10	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Disallowance of Cenvat Credit on Certain inputs / capital items / input services and others	11.87	1994-95, 2005-06, 2009-10 and 2011-12	Appellate authority up to the Commissioner's level
Central Excise Act, 1944	Excise duty on waste and loss on storage of molasses, etc.	4.43	2003-04	High Court, Prayagraj, Uttar Pradesh (Lucknow bench)
Central Excise Act, 1944	Excise duty on waste and loss on storage of molasses, etc.	15.27	1990-91	Customs Excise and Service Tax Appellate Tribunal (CESTAT), New Delhi
U. P. Electricity Duty Act, 1952	Demand for non-payment of Electricity Duty	6.45	1978-79 to 1983-84	State Electricity Regulatory Commission, Lucknow, Uttar Pradesh

* does not include ₹ 171.57 lakhs and ₹120.23 lakhs in respect of Show Cause Notices and Remanded Cases to original adjudicating authority respectively pertaining to earlier years (refer note 37 to the financial statements).

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3 (xii) (b) and 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group has three Core Investment Companies as part of the Group.
- (xvii) The Company has not incurred cash losses in the current and previous financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 46 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention,

which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 33 to the financial statements.

- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 33 to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Membership Number: 060352

UDIN: 24060352BKFTFM6747

Place of Signature: Kolkata

Date: May 13, 2024

Annexure 2 to the Independent Auditor's Report of Even Date on the Financial Statements of Avadh Sugar and Energy Limited

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

We have audited the internal financial controls with reference to financial statements of Avadh Sugar and Energy Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 judgement, 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 with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to

financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 issued by the ICAI.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Membership Number: 060352

UDIN: 24060352BKFTFM6747

Place of Signature: Kolkata

Date: May 13, 2024

Balance Sheet

as at 31 March 2024

CIN: L15122UP2015PLC069635

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	4	1,18,694.46	1,16,514.08
(b) Capital Work-in-Progress	5	961.89	1,322.85
(c) Intangible Assets	6	18.17	28.80
(d) Financial Assets			
i) Investments	7	7,983.18	4,747.56
ii) Other Financial Assets	14	216.09	153.49
(e) Non-Current Tax Assets (net)	15	308.32	352.12
(f) Other Non-current Assets	16	1,113.15	1,011.16
Total Non current Assets		1,29,295.26	1,24,130.06
2 CURRENT ASSETS			
(a) Inventories	8	1,49,497.02	1,08,503.06
(b) Biological assets other than bearer plants	9	24.72	16.96
(c) Financial Assets			
i) Trade Receivables	10	4,783.96	7,264.72
ii) Cash and Cash Equivalents	11	125.26	164.66
iii) Bank Balances other than (ii) above	12	85.18	297.53
iv) Loans	13	43.36	52.31
v) Other Financial Assets	14	431.26	279.14
(d) Other Current Assets	16	1,109.22	1,120.71
Total Current Assets		1,56,099.98	1,17,699.09
Total Assets		2,85,395.24	2,41,829.15
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	17	2,001.84	2,001.84
(b) Other equity	18	1,00,831.07	87,113.79
Total Equity		1,02,832.91	89,115.63
2 LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	19	26,150.75	30,632.37
ii) Lease Liabilities	20	95.60	52.90
(b) Provisions	24	80.04	209.77
(c) Deferred Tax Liabilities (net)	25	7,771.94	3,976.99
(d) Other Non-current Liabilities	23	-	5.63
Total Non Current Liabilities		34,098.33	34,877.66
CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	19	1,05,424.11	76,084.91
ii) Lease Liabilities	20	62.24	35.00
a) total outstanding dues of micro enterprises and small enterprises	21	295.43	334.93
b) total outstanding dues of creditors other than micro enterprises and small enterprises	21	37,643.70	36,113.10
iii) Other Financial Liabilities	22	2,848.71	3,007.87
(b) Other Current Liabilities	23	1,430.16	1,545.96
(c) Provisions	24	759.65	714.09
Total Current Liabilities		1,48,464.00	1,17,835.86
Total Liabilities		1,82,562.33	1,52,713.52
Total Equity & Liabilities		2,85,395.24	2,41,829.15
Summary of material accounting policies	3		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.: 301003E/E300005

Devendra Kumar Sharma
Whole-time Director
DIN: 06498196

Chandra Shekhar Nopany
Co-Chairperson
DIN: 00014587

Sanjay Kumar Agarwal
Partner
Membership No.: 060352
Place: Kolkata
Date: 13 May 2024

Vijaya Agarwala
Company Secretary
ACS - 38658

Dilip Patodia
Chief Financial Officer

Statement of Profit and Loss

 for the year ended March 31, 2024

CIN: L15122UP2015PLC069635

(₹ in Lakhs)

Particulars	Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
I Revenue from operations	26	2,69,351.44	2,79,801.49
II Other Income	27	346.26	925.48
III Total Income (I + II)		2,69,697.70	2,80,726.97
IV Expenses			
Cost of Raw Materials Consumed	28	2,41,704.98	2,07,228.89
Purchases of Stock-in-Trade		2,254.40	2,430.31
Change in inventories of finished goods, work-in-progress and stock-in-trade	29	(44,501.58)	9,958.53
Employee benefits expense	30	11,743.48	12,043.40
Finance costs	31	8,156.65	6,930.62
Depreciation and amortisation expense	32	5,528.52	5,111.96
Other expenses	33	25,144.80	22,663.34
Total Expenses		2,50,031.25	2,66,367.05
V Profit before tax (III - IV)		19,666.45	14,359.92
VI Tax expense	34		
Current tax		3,432.90	2,492.29
Deferred tax		3,422.45	1,843.69
Total Tax expenses		6,855.35	4,335.98
VII Profit for the year (V - VI)		12,811.10	10,023.94
VIII Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
(a) Remeasurement loss of defined benefit plans		(12.20)	(80.71)
(b) Gain on equity investments through other comprehensive income (net)		3,234.62	63.90
Total of Items that will not be reclassified to profit or loss		3,222.42	(16.81)
Income taxes relating to items that will not be reclassified to profit or loss		(372.50)	27.22
Other comprehensive income for the year, net of income tax		2,849.92	10.41
IX Total comprehensive income for the year (VII + VIII)		15,661.02	10,034.35
X Earnings per equity share [Nominal value per equity share ₹ 10 each]	35		
Basic and Diluted (₹)		64.00	50.07
Summary of material accounting policies	3		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 301003E/E300005

Devendra Kumar Sharma

Whole-time Director

DIN: 06498196

Chandra Shekhar Nopany

Co-Chairperson

DIN: 00014587

Sanjay Kumar Agarwal

Partner

Membership No.: 060352

Place: Kolkata

Date: 13 May 2024

Vijaya Agarwala

Company Secretary

ACS - 38658

Dilip Patodia

Chief Financial Officer

Statement of Changes in Equity for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

A. Equity Share Capital

	Notes	As at 31 March 2024		As at 31 March 2023	
		No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Balance at the beginning of the year	17	2,00,18,420	2,001.84	2,00,18,420	2,001.84
Change in equity share capital during the year		-	-	-	-
Balance at the end of the year	17	2,00,18,420	2,001.84	2,00,18,420	2,001.84

B. Other Equity

(₹ in Lakhs)

	Reserves and Surplus				Items of OCI	Total
	Capital Reserve	Capital Redemption Reserve	Molasses Storage and Maintenance Reserve	Retained Earnings	Equity instruments through OCI	
Balance at 1 April 2023	25,761.69	5,569.08	212.82	51,200.84	4,369.36	87,113.79
Total comprehensive income for the year						
Profit for the year	-	-	-	12,811.10	-	12,811.10
Other Comprehensive income / (loss) (net of tax) for the year	-	-	-	(7.94)	2,857.86	2,849.92
Total comprehensive income	-	-	-	12,803.16	2,857.86	15,661.02
Provided during the year	-	-	58.10	-	-	58.10
Transferred from Molasses Storage and Maintenance Reserve to Retained Earnings	-	-	(219.70)	219.70	-	-
Final dividend paid on equity shares [Note 18]	-	-	-	(2001.84)	-	(2001.84)
Balance at 31 March 2024	25,761.69	5,569.08	51.22	62,221.86	7,227.22	1,00,831.07
Balance at 1 April 2022	25,761.69	5,569.08	169.45	43,231.25	4,306.44	79,037.91
Total comprehensive income for the year						
Profit for the year	-	-	-	10,023.94	-	10,023.94
Other Comprehensive income / (loss) (net of tax) for the year	-	-	-	(52.51)	62.92	10.41
Total comprehensive income	-	-	-	9,971.43	62.92	10,034.35
Provided during the year	-	-	43.37	-	-	43.37
Final dividend paid on equity shares [Note 18]	-	-	-	(2,001.84)	-	(2001.84)
Balance at 31 March 2023	25,761.69	5,569.08	212.82	51,200.84	4,369.36	87,113.79

Statement of Changes in Equity for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

The description, nature and purpose of each reserve within other equity are as follows:

(a) Capital Reserve

The difference between the net fair value of assets and liabilities of the sugar business undertakings acquired and shares allotted pursuant to the scheme of arrangement in earlier year.

(b) Capital Redemption Reserve

The Company had created Capital Redemption Reserve on Non-convertible cumulative redeemable preference shares in accordance with the Companies Act, 2013. The reserve may be applied in accordance with the provisions of Section 69 of the Companies Act, 2013.

(c) Molasses Storage and Maintenance Reserve

Molasses Storage and Maintenance Reserve is a fund, which is required under Uttar Pradesh Sheera Niyamtran Adhinyam, 1964 read with Uttar Pradesh Sheera Niyamtran Niyamavali, 1974. This fund may be utilised against the cost of construction / maintenance of molasses storage tanks under the requisite permission. On utilisation, the reserve is transferred to retained earnings.

(d) Retained Earning

Retained earnings comprise of accumulated profit of the Company after dividends or other distributions, if any, paid to shareholders. Retained earnings includes remeasurement loss / (gain) on defined benefit plans net of taxes.

(e) Equity instruments through OCI

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments within equity. The Company transfers amounts therefrom to retained earnings when the relevant equity securities are derecognised.

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 301003E/E300005

Devendra Kumar Sharma

Whole-time Director

DIN: 06498196

Chandra Shekhar Nopany

Co-Chairperson

DIN: 00014587

Sanjay Kumar Agarwal

Partner

Membership No.: 060352

Place: Kolkata

Date: 13 May 2024

Vijaya Agarwala

Company Secretary

ACS - 38658

Dilip Patodia

Chief Financial Officer

Cash Flow Statement

for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	19,666.45	14,359.92
Adjustments for:		
Depreciation and amortisation expense	5,528.52	5,111.96
Depreciation in relation to farm assets	0.13	0.20
Finance Costs	8,156.65	6,930.62
Provision for bad and doubtful debts / advances	5.19	-
Gain on sale / discard of Property, Plant and Equipment (net)	(2.33)	(554.89)
Molasses storage and maintenance fund	58.10	43.37
Interest income	(55.50)	(23.17)
Dividend income	(104.03)	(96.60)
Gain on termination of lease	-	(26.43)
Income from investments in co-operative farming societies	(87.15)	(81.50)
Unspent liabilities, Provisions no longer required and Unclaimed balances written back	(60.09)	(68.97)
	33,105.94	25,594.51
Working capital adjustments:		
(Increase) / Decrease in Inventories	(40,993.96)	8,469.96
(Increase) in Biological assets other than bearer plants	(7.76)	(15.93)
Decrease in Trade Receivables and Loans	2,489.71	1,309.81
(Increase) in Other Financial Assets	(168.02)	(61.38)
Decrease in Other Assets	6.35	154.19
Increase in Trade Payables	1,551.12	5,466.91
(Decrease) / Increase in Other Financial Liabilities	(246.41)	722.99
(Decrease) in Provisions	(96.37)	(58.69)
Increase / (Decrease) in Other Liabilities	54.52	(2,588.34)
Cash (used in) / generated from Operations	(4,304.88)	38,994.03
Income tax paid (net of refund received)	(3,389.10)	(2,633.26)
Net Cash (used in) / generated from Operating Activities	(7,693.98)	36,360.77
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Proceeds from sale of Property, Plant and Equipment	449.61	852.53
Acquisition of Property, Plant and Equipment	(7,872.30)	(13,349.16)
Proceeds from sale of Investments	-	0.51
Payment for purchase of Investments	(1.00)	(2.00)
Interest received	58.05	26.94
Dividend received	104.03	96.60
Income from Investments in co-operative farming societies received	87.15	81.50
Proceeds on maturity of Bank deposits / (Bank deposits made) (net)	177.65	(89.59)
Net Cash used in Investing Activities	(6,996.81)	(12,382.67)

Cash Flow Statement

for the year ended 31 March 2024 (contd.)

CIN: L15122UP2015PLC069635

(₹ in Lakhs)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Non-current Borrowings	(13,231.74)	(12,451.38)
Proceeds from Non-current Borrowings	6,500.00	3,500.00
Proceeds from / (Repayment of) Current Borrowings (net)	31,303.19	(6,059.22)
Repayment of Lease liabilities	(44.18)	(76.97)
Interest on Lease liabilities paid	(16.28)	(11.38)
Other interest paid	(7,857.76)	(6,792.70)
Final dividend paid on Equity shares	(2,001.84)	(2,001.84)
Net Cash generated from / (used in) Financing Activities	14,651.39	(23,893.49)
Net Changes in Cash and Cash Equivalents (A + B + C)	(39.40)	84.61
Cash and Cash Equivalents at the beginning of the year	164.66	80.05
Cash and Cash Equivalents at the end of the year [Note 11]	125.26	164.66

1. Change in Liability arising from financing activities

(₹ in Lakhs)

	As on 1 April 2023	Change in Current portion of Non- current borrowings	Cash Flow	Fair Value / Non-Cash Change	As on 31 March 2024
Non-current Borrowings [Note 19]	30,632.37	1,963.99	(6,731.74)	286.13	26,150.75
Current Borrowings [Note 19]	76,084.91	(1,963.99)	31,303.19	-	1,05,424.11

(₹ in Lakhs)

	As on 1 April 2022	Change in Current portion of Non- current borrowings	Cash Flow	Fair Value / Non-Cash Change	As on 31 March 2023
Non-current Borrowings [Note 19]	40,302.70	(1,166.46)	(8,951.38)	447.51	30,632.37
Current Borrowings [Note 19]	80,977.67	1,166.46	(6,059.22)	-	76,084.91

2. The Cash Flows Statement has been prepared under the 'Indirect Method' as set out in IND AS 7, 'Statement of Cash Flows.'

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 301003E/E300005

Devendra Kumar Sharma

Whole-time Director

DIN: 06498196

Chandra Shekhar Nopany

Co-Chairperson

DIN: 00014587

Sanjay Kumar Agarwal

Partner

Membership No.: 060352

Place: Kolkata

Date: 13 May 2024

Vijaya Agarwala

Company Secretary

ACS - 38658

Dilip Patodia

Chief Financial Officer

Notes to Financial Statements for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

1. Reporting entity

Avadh Sugar & Energy Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Post Office Hargaon, District Sitapur, Uttar Pradesh 261121, India. Its equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

The Company is primarily engaged in the manufacture and sale of sugar and its by-products (molasses, bagasse and press-mud), spirits (including ethanol) and power. The Company has operations in India.

The financial statements are approved for issue in accordance with a resolution of the directors of the Company on 13 May 2024.

2. Basis of preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 ('Act'), other relevant provisions and presentation requirements of Division II of Schedule III to the Act, as applicable.

Details of the Company's material accounting policies are included in Note 3.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

Items	Measurement basis
(i) Certain financial assets and liabilities	Fair value
(ii) Biological assets other than bearer plants	Fair value less costs to sell
(iii) Employee's defined benefit plan	As per actuarial valuation (present value of defined benefit obligation less fair value of plan assets)

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

2.4 Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Notes to Financial Statements

for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included in the following notes:

- Note 4 and 6 - Useful life and residual value of property, plant and equipment and intangible assets;
- Note 9 - Determining the fair values of biological assets other than bearer plants on the basis of significant unobservable inputs;
- Note 24 - Measurement of defined benefit obligations: key actuarial assumptions;
- Note 25 - Recognition of deferred tax assets (including MAT credit entitlement): availability of future taxable profit and income tax liabilities thereon against which MAT credit entitlement and other tax losses can be used;
- Note 37 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 43 - Impairment of financial assets: key assumptions used in estimating recoverable cash flows.
- Information about assumptions and judgement uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the every period ended is included in the following notes:
 - Note 7 - Determining the fair values of investments;
 - Note 8 - Valuation of Inventories;
 - Note 20 - Determination of ROU assets and liabilities; incremental borrowing rate and lease term.

2.5 Measurement of fair value

A number of the Company's accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2: inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 2.4.

Notes to Financial Statements

for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

3. Summary of material accounting policies

3.1 Classification of assets and liabilities as current and non-current

All assets and liabilities are classified as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria :

- (i) it is expected to be realised in or intended for sale or consumption in the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realised within twelve months after the reporting date; or
- (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include current portion of non-current assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within twelve months after the reporting date; or
- (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

3.2 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of initial transaction.

Exchange differences are recognised in the Statement of Profit and Loss in the period in which they arise.

Notes to Financial Statements

for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

3.3 Financial instruments

i) Recognition and initial measurement

Trade Receivables issued are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

a) Financial assets

On initial recognition, a financial asset is classified and measured at:

- amortised cost; or
- fair value through other comprehensive income (FVOCI) - Equity Investment; or
- fair value through profit or loss (FVTPL).

The classification depends on the Company's business model for managing the financial assets and contractual terms of the cashflows.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- a. the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The effective interest rate (EIR) amortisation is included in finance income in the Statement of Profit and Loss. This category generally applies to long-term deposits and long-term trade receivables.

Financial assets at fair value through other comprehensive income (FVOCI)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

Financial assets are measured at the FVOCI if both of the following conditions are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The Assets contractual cash flows on specified dates represent SPPI on the principal amount outstanding.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI).

Notes to Financial Statements for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

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

All financial assets which do not meet the criteria for categorisation as at amortised cost or FVOCI as described above are classified as at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

- Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.

Notes to Financial Statements

for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

b) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities through fair value through profit or loss (FVTPL)

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest (EIR) method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

iii) Derecognition

a) Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

b) Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v) Impairment

a) Impairment of financial instruments : financial assets

At each reporting date, the Company assess whether financial assets, than those at FVTPL are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Notes to Financial Statements

for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

The Company recognises loss allowances using the expected credit losses (ECL) model for the financial assets which are fair valued through profit or loss.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in Statement of Profit and Loss.

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables on an individual case to case basis on the basis of its historical credit loss experience.

For all other financial assets, expected credit losses are measured unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

b) Impairment of non-financial assets

The Company's non-financial assets, other than biological assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

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The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.4 Property, plant and equipment [PPE]

(i) *Recognition and measurement*

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are stated at cost / deemed cost less accumulated depreciation and accumulated impairment losses, if any.

Freehold land is carried at historical cost less any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price inclusive of duties, taxes, after deducting trade discounts and rebates, incidental expenses, erection / commissioning expenses, borrowing cost, any directly attributable cost of bringing the item to its working condition for its intended use and costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

(ii) *Subsequent expenditure*

Subsequent costs are capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) *Depreciation*

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using straight line method over the useful lives of assets and recognised in the Statement of Profit and Loss.

The useful lives have been determined based on evaluation done by the management's expert and are in line with the useful life specified in Part C of Schedule II to the Companies Act, 2013, except for certain factory building, non-factory buildings and plant and equipment where prescribed rates per Companies Act 2023 are

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30 years, 60 years and 15-40 years respectively, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The range of estimated useful lives of items of property, plant and equipment are as follows:

Class of assets	Management estimate of useful life (in years)
Factory buildings	5 - 30
Non factory buildings	5 - 60
Plant and equipment	5 - 40
Computer and data processing equipment	3 - 6
Furniture and fixtures	10
Vehicles	8 - 10
Office equipment	5

Depreciation method, useful lives and residual values of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Depreciation on additions to or disposal of assets is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off). Leasehold land is being amortised over the period of lease tenure. Freehold land is not depreciated.

(iv) *Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment. [Note 4]

(v) *Capital work-in-progress (CWIP)*

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Directly attributable expenditure (including finance costs relating to borrowed funds / general borrowings for construction or acquisition of property, plant and equipment) incurred on project under implementation are treated as Pre-operative expenses pending allocation to the asset and are shown under CWIP.

3.5 Intangible assets

Intangible assets including Computer software are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and impairment loss, if any. Intangible assets are amortised on straight line method basis over the estimated useful life. Estimated useful life of the Computer software is considered as five years.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in Statement of Profit and Loss as incurred.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets. [Note 6]

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3.6 Biological assets other than bearer plants

Biological assets other than bearer plants comprise standing crops of sugarcane and other agriculture products.

On initial recognition and at the end of each reporting period, Biological assets other than bearer plants are measured at fair value less estimated costs to sell. Changes in fair value are recognised in the Statement of Profit and Loss.

The fair value of these assets excludes the land upon which the crops are planted or the items of property, plant and equipment utilised in the upkeep of planted areas.

The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops. For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date.

When harvested, sugarcane is transferred to inventory at fair value less costs to sell.

3.7 Inventories

Raw Materials, stores and spares are valued at lower of cost and net realisable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on annual weighted average method / moving average method.

Work-in-progress, Finished goods (including Power banked) and Traded goods are valued at lower of cost and net realisable value. Work-in-progress and Finished goods include cost of conversion and other costs incurred in bringing the inventories to their present location and condition based on normal operating capacity. Cost is determined on weighted average basis.

By products and Saleable scraps, whose cost is not identifiable, are valued at estimated net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount so written-down is adjusted in terms of policy as stated above.

3.8 Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees. The Company makes specified periodically contribution to the following defined contribution plans :

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- a) Provident / Pension funds;
- b) Superannuation fund.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plans ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The contributions are deposited with the Life Insurance Corporation of India based on information received by the Company. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested.

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 measured on the basis of an annual independent actuarial valuation using the projected unit credit method, for the unused entitlement that has accumulated as at the balance sheet date. Remeasurement gains or losses are recognised in the Statement of Profit and Loss in the period in which they arise.

Non-accumulating compensated absences are recognised in the period in which the absences occur. Since the employee has unconditional right to avail the leave, the benefit is classified as current provisions.

3.9 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Expected future operating losses are not provided for.

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3.10 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is possible. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognised in the financial statements but disclosed, where an inflow of economic benefit is probable.

3.11 Revenue from contract with customer

Sale of goods (excluding power)

Revenue from sale of product is recognised at the point in time when control of the goods is transferred to the customer.

At contract inception, the Company assess the goods promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue from contracts with customers is recognized when control of goods are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold i.e. the Company's performance obligation are satisfied on delivery of goods to customer. The timing of the transfer of control varies depending on individual terms of the sales agreements.

Revenue is measured at transaction price, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government, if applicable.

Sale of Power

The Company's derives its power revenue from the production and sale of electricity based on long-term Power Purchase Agreements. Revenue is recognised upon delivery of electricity produced to the electricity grid based on the agreed tariff rate (net of discounts for prompt payment of bills). Delivery is deemed complete when all the risks and rewards associated with ownership have been transferred to the grid as contractually agreed, compensation has been contractually established and collection of the resulting receivable is probable.

3.12 Income from Renewable Energy Certificates (RECs)

Income from Renewable Energy Certificates (RECs) is recognised at estimated realisable value on confirmation of RECs by the concerned Authorities.

3.13 Recognition of Dividend Income, Interest Income or expense, Insurance Claim

Dividend Income

Dividend income is recognised in profit or loss on the date when the Company's right to receive payment is established.

Interest income

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- » - the gross carrying amount of the financial asset; or
- » - the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

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Interest is recognised on time proportion basis.

Interest income is included in "Other Income" in the Statement of Profit and Loss.

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

3.14 Expenses

All expenses are accounted for on accrual basis.

3.15 Government grants

Grants from Government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached thereto.

Government grants related to revenue are recognised in the Statement of Profit and Loss on a systematic and rational basis in the periods in which the Company recognises the related costs for which the grants are intended to compensate and are netted off with the related expenditure. If not related to a specific expenditure, it is taken as income and presented under "Other Operating Revenue".

Government grants received relating to property, plant and equipment and other intangible assets are deducted from the gross value of the property, plant and equipment and other intangible assets concerned in arriving at the carrying amount of the related property, plant and equipment and other intangible assets. The grant is recognised in the statement of profit or loss over the life of the related depreciable asset as a reduced depreciation expense.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognised in the Statement of Profit and Loss by netting with the related finance cost. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.16 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment (refer to Note 3.3).

The right-of-use assets are disclosed in Property, Plant and Equipment (see Note 4).

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(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term lease and lease of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, godowns, equipment, etc. that are of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.17 Income tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognised in the Statement of profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to off set current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax (MAT) Credit

In case of tax payable as Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as a deferred tax asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

3.18 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. Refer Note 40 for segment information presented.

Operating segments are reported in manner consistent with the internal reporting provided to the chief operating decision maker.

The Company's Whole-Time Director (WTD) has been identified as being the chief operating decision maker by the management of the Company.

3.19 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.20 Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank, short-term deposits with an original maturity of three months or less and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.21 Cash flow statement

Cash flows are reported using the indirect method, whereby profit or loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.22 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

3.23 Determination of fair values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) Financial assets

Financial assets are initially measured at fair value. If the financial asset is not subsequently accounted for at fair value through profit or loss, then the initial measurement includes directly attributable transaction costs. These are measured at amortised cost or at FVTPL or at FVOCI.

Investments in equity instruments are measured at FVOCI and combination of different methodologies i.e. discounted cash flow method, comparable companies method and net assets method with different weightage has been used for fair valuations of investment in unquoted securities.

ii) Trade and other receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

iii) Financial liabilities

Financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

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4. Property, Plant and Equipment

	Freehold Land [Note 39]	Buildings	Plant and Equipment	Computer and Data Processing Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Right-to-use assets [Note 20]	Total
Reconciliation of carrying amount									
Gross carrying amount									
Balance at 1 April 2023	26,336.35	19,734.87	1,00,604.71	241.20	357.67	813.05	182.16	195.25	1,48,465.26
Additions during the year	-	486.12	7,305.02	80.55	37.54	94.70	27.63	114.12	8,145.68
Disposal / deductions during the year	(206.74)	(229.97)	(250.98)	(2.27)	(3.38)	(46.96)	(2.80)	(63.93)	(807.03)
Balance at 31 March 2024	26,129.61	19,991.02	1,07,658.75	319.48	391.83	860.79	206.99	245.44	1,55,803.91
Balance at 1 April 2022	25,645.75	19,260.10	88,586.11	199.92	312.94	537.03	161.19	287.97	1,34,991.01
Additions during the year	690.60	477.47	12,682.97	48.43	46.29	299.84	22.04	114.03	14,381.67
Disposal / deductions during the year	-	(2.70)	(664.37)	(7.15)	(1.56)	(23.82)	(1.07)	-206.75	-907.42
Balance at 31 March 2023	26,336.35	19,734.87	1,00,604.71	241.20	357.67	813.05	182.16	195.25	1,48,465.26
Accumulated depreciation									
Balance at 1 April 2023	-	4,540.82	26,586.92	161.65	156.12	289.99	116.84	98.84	31,951.18
Depreciation for the year (a)	-	692.71	4,578.67	40.40	36.43	90.62	25.87	53.32	5,518.02
Disposal / deductions during the year	-	(90.59)	(153.91)	(2.07)	(3.09)	(43.55)	(2.61)	-63.93	-359.75
Balance at 31 March 2024	-	5,142.94	31,011.68	199.98	189.46	337.06	140.10	88.23	37,109.45
Balance at 1 April 2022	-	3,857.95	22,761.81	135.68	122.46	246.07	90.37	88.55	27,302.89
Depreciation for the year (a)	-	685.36	4,195.37	32.71	34.91	65.20	27.48	51.64	5,092.67
Disposal / deductions during the year	-	(2.49)	(370.26)	(6.74)	(1.25)	(21.28)	(1.01)	-41.35	-444.38
Balance at 31 March 2023	-	4,540.82	26,586.92	161.65	156.12	289.99	116.84	98.84	31,951.18
Carrying amount (net)									
At 31 March 2024 (a)	26,129.61	14,848.08	76,647.07	119.50	202.37	523.73	66.89	157.21	1,18,694.46
At 31 March 2023 (a)	26,336.35	15,194.05	74,017.79	79.55	201.55	523.06	65.32	96.41	1,16,514.08

(a) Includes ₹0.13 lakhs (31 March 2023: ₹ 0.20 lakhs) in relation to farm assets.

(b) Property, Plant and Equipment (unless stated otherwise elsewhere) other than Right of use - assets given as security for borrowings [Note 19].

Notes to Financial Statements for the year ended 31 March 2024

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5. Capital Work-in-Progress

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Reconciliation of carrying amount		
Balance at the beginning of the year	1,322.85	860.96
Add: Additions during the year	7,183.54	13,375.74
Less: Transfer to Property, Plant and Equipment	7,544.50	12,913.85
Balance at the end of the year	961.89	1,322.85

a) The amount of borrowing costs capitalised during the year ₹84.97 lakhs (31 March 2023: ₹239.57 lakhs). The annual rate i.e. the effective rate of interest used to determine the amount of general borrowing costs eligible for capitalisation is in the range of 7.42% p.a. to 9.70% p.a. (31 March 2023: 8.60% p.a.) and Nil (31 March 2023: in the range of 5.75% p.a. to 8.10% p.a.) for the specific borrowing.

b) Capital Work-in-Progress aging schedule:

(₹ in lakhs)

Capital Work-in-Progress (CWIP)	Amount of CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As on 31 March 2024					
Projects in progress	961.89	-	-	-	961.89
Projects temporarily suspended	-	-	-	-	-
Total	961.89	-	-	-	961.89
As on 31 March 2023					
Projects in progress	1,322.85	-	-	-	1,322.85
Projects temporarily suspended	-	-	-	-	-
Total	1,322.85	-	-	-	1,322.85

6. Other Intangible Assets

(₹ in lakhs)

Computer Software	As at 31 March 2024	As at 31 March 2023
Reconciliation of carrying amount		
Gross carrying amount		
Balance at the beginning of the year	145.64	145.64
Additions during the year	-	-
Balance at the end of the year	145.64	145.64
Accumulated depreciation		
Balance at the beginning of the year	116.84	97.35
Amortisation for the year	10.63	19.49
Balance at the end of the year	127.47	116.84
Carrying amount (net)	18.17	28.80

Notes to Financial Statements for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

7. Investments

(₹ in lakhs)

	No. of Share	Face Value of Share (₹)	As at 31 March 2024	As at 31 March 2023
Non-current Investments				
Investment in equity instruments carried at FVOCI - quoted (fully paid)				
Magadh Sugar & Energy Ltd.	14,86,154	10.00	7,978.42	4,743.80
			7,978.42	4,743.80
Investment in Co-operative farming societies carried at amortised cost - unquoted (fully paid)				
Krishna Sahakari Kheti Samiti Ltd.	5	100.00	0.01	0.01
Kuri Sanyukta Sahakari Kheti Samiti Ltd.*	1	100.00	-	-
Keshopur Sanyukta Sahakari Kheti Samiti Ltd.*	1	100.00	-	-
Pandia Sanyukta Sahakari Kheti Samiti Ltd.*	1	100.00	-	-
Seohara Co-operative Cane Development Union Ltd.*	1	100.00	-	-
Najibabad Co-operative Cane Development Union Ltd.*	1	10.00	-	-
Nagina Co-operative Cane Development Union Ltd.*	1	10.00	-	-
Moradabad Co-operative Cane Development Union Ltd.*	1	10.00	-	-
			0.01	0.01
Investment in Government securities carried at amortised cost - unquoted (fully paid)**				
12 Years National Savings Certificates			0.01	0.01
12 Years National Plan Savings Certificates			0.08	0.08
6 Years National Savings Certificates			4.66	3.66
			4.75	3.75
			7,983.18	4,747.56
Aggregate amount of quoted investments and market value thereof			7,978.42	4,743.80
Aggregate amount of unquoted investments			4.76	3.76
Aggregate amount of impairment in value of investments			-	-

* the figures, being less than ₹500, have been shown above as ₹ "-".

** Deposited / pledged with various Government authorities.

Equity shares designated at FVOCI

The Company has designated the investments shown below as equity instruments at FVOCI because these equity instruments represent investments that the Company intends to hold on long-term basis for strategic purposes, which reflects the purpose of holding.

Notes to Financial Statements for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

7. Investments (contd.)

(₹ in lakhs)

	Fair value at 31 March 2024	Dividend income recognised during 2023-24	Fair value at 31 March 2023	Dividend income recognised during 2022-23	Fair value at 1 April 2022
Investment in Magadh Sugar & Energy Limited	7,978.42	104.03	4,743.80	96.60	4,679.90

No strategic investment was disposed off during the year and there were no transfer of any cumulative gain or loss within equity relating to these investment.

8. Inventories

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<i>(Valued at lower of cost and net realisable value)</i>	4,490.27	7,935.72
Raw materials *	1,743.48	1,932.51
Work-in-progress	1,35,300.23	85,052.12
Finished goods *	29.33	22.60
Stock-in-trade	2,216.81	2,278.98
Stores, chemicals and spare parts *	129.47	29.18
Power - Banked		
<i>(Valued at estimated net realisable value)</i>	5,531.70	11,167.62
By-Products	55.73	84.33
Scrap	1,49,497.02	1,08,503.06
* includes stock in transit:		
Raw materials	44.49	46.71
Finished goods	8.50	-
Stores, chemicals and spare parts	13.63	33.26

a) Inventories are hypothecated / pledged against borrowings [Note 19].

9 Biological assets other than bearer plants

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Reconciliation of carrying amount		
Balance at the beginning of the year	16.96	1.03
Expenditure incurred during the year	21.37	21.89
Change in fair value less cost to sale	2.26	17.53
New Crop Plantations	9.26	13.88
Decrease due to harvested sugarcane transferred to inventories	(25.13)	(37.37)
[including captive consumption of ₹17.10 lakhs (31 March 2023: ₹ 7.08 lakhs)]		
Balance at the end of the year	24.72	16.96

Notes to Financial Statements for the year ended 31 March 2024

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A. Measurement of fair values

The fair value of the sugarcane and other agriculture products at harvest is determined by the quantities harvested, it is valued at the rate fixed by the Uttar Pradesh Government (Level 1). The fair value of the harvested sugarcane is the cost of the raw material used in the production of sugar including captive consumption. For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date (Level 3).

B. Risk management strategy related to agricultural activities

The Company is exposed to a number of risks related to its sugarcane plantations.

i. Regulatory and environmental risks

The Company has established environmental policies and procedures, aimed for compliance, with local environmental and other laws.

ii. Supply and demand risk

The Company is exposed to risks arising from fluctuations in the sale price and quantity of sugarcane produced. When possible the Company manages this risk by aligning its harvest volume to market supply and demand.

iii. Climate and other risks

The Company's sugar cane plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Company has extensive processes in place aimed at monitoring and mitigating those risks.

10. Trade receivables

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Current		
Trade Receivables considered good - Unsecured	4,783.96	7,264.72
	4,783.96	7,264.72

- (a) No debt is due from directors or other officers of the Company or any of them either severally or jointly with any other person or no debt due from firms including limited liability partnerships (LLPs) or private limited companies respectively in which any director is a partner, a director or a member.
- (b) Information about the Company's exposure to credit risks and loss allowances related to trade receivables are disclosed in Note 43(C).
- (c) Trade receivable are hypothecated against borrowings [Note 19].
- (d) Trade Receivables aging schedule:

(₹ in lakhs)

Particulars	Trade Receivables considered good - Unsecured			Trade Receivables which have significant increase in credit risk			Grand Total
	Undisputed	Disputed	Total	Undisputed	Disputed	Total	
As on 31 March 2024							
Unbilled dues	977.20	-	977.20	-	-	-	977.20
Not due	2,273.59	-	2,273.59	-	-	-	2,273.59
Outstanding for following periods from due dates of payment							
- Less than 6 months	1,289.54	-	1,289.54	-	-	-	1,289.54

Notes to Financial Statements for the year ended 31 March 2024

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10. Trade receivables (contd.)

(₹ in lakhs)

Particulars	Trade Receivables considered good - Unsecured			Trade Receivables which have significant increase in credit risk			Grand Total
	Undisputed	Disputed	Total	Undisputed	Disputed	Total	
- 6 months - 1 year	178.32	-	178.32	-	-	-	178.32
- 1 - 2 years	18.14	-	18.14	-	-	-	18.14
- 2 - 3 years	14.32	-	14.32	-	-	-	14.32
- More than 3 years	32.85	-	32.85	-	-	-	32.85
	1,533.17	-	1,533.17	-	-	-	1,533.17
	4,783.96	-	4,783.96	-	-	-	4,783.96
As on 31 March 2023							
Unbilled dues	975.61	-	975.61	-	-	-	975.61
Not due	4,107.73	-	4,107.73	-	-	-	4,107.73
Outstanding for following periods from due dates of payment							
- Less than 6 months	1,352.06	-	1,352.06	-	-	-	1,352.06
- 6 months - 1 year	479.44	-	479.44	-	-	-	479.44
- 1 - 2 years	277.97	-	277.97	-	-	-	277.97
- 2 - 3 years	60.56	-	60.56	-	-	-	60.56
- More than 3 years	11.35	-	11.35	-	-	-	11.35
	2,181.38	-	2,181.38	-	-	-	2,181.38
	7,264.72	-	7,264.72	-	-	-	7,264.72

11. Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- Current accounts	107.28	110.92
Cheques on hand	-	38.88
Cash on hand	17.98	14.86
	125.26	164.66

12. Bank balance other than cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Bank deposits having maturity of three months or less of original maturities*	-	33.25
Bank deposits due to mature after three months of original maturities but within twelve months of the reporting date*	33.11	226.76
Earmarked balances with bank for unpaid dividend accounts	51.78	37.23
In Post office Saving bank account *	0.29	0.29
	85.18	297.53

* Pledged / lodged with various Government Authorities and Banks as security / earmarked / margin money and under court order

Notes to Financial Statements for the year ended 31 March 2024

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13. Loans

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
(Considered good - Unsecured)		
Loans to employees	43.36	52.31
	43.36	52.31

14. Other Financial Assets

(₹ in lakhs)

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
(Considered good - Unsecured, unless stated otherwise)				
Security and other deposits	26.61	21.81	30.77	37.51
Bank deposits due to mature after twelve months of the reporting date*	175.63	126.38	-	-
Renewable Energy Certificates Entitlement	-	-	0.03	0.03
Interest accrued on investment, deposits etc.	13.85	5.30	0.53	11.63
Claims and Subsidies / Refunds receivable	-	-	232.68	64.64
Other receivables	-	-	167.25	165.33
	216.09	153.49	431.26	279.14

15. Non-Current Tax Assets (net)

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Advance tax and tax deducted / collected at sources	3,741.22	7,508.54
Less: Provision for taxation	3,432.90	7,156.42
	308.32	352.12

16. Other Assets

(₹ in lakhs)

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
(Considered good - Unsecured, unless stated otherwise)				
Capital Advances	696.56	594.59	-	-
Advances other than Capital Advances				
Advances to suppliers				
- Considered good - Unsecured	-	-	811.79	795.41
- Considered doubtful - Unsecured	-	-	5.19	9.40
	-	-	816.98	804.81
Less: Loss allowance	-	-	5.19	9.40
	-	-	811.79	795.41

Notes to Financial Statements for the year ended 31 March 2024

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16. Other Assets (contd.)

(₹ in lakhs)

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Other advances				
- Deposits against demand under appeal and/ or under dispute	333.87	365.46	-	-
- Balance with Excise and other Government Authorities	-	-	219.05	233.04
	333.87	365.46	219.05	233.04
Prepaid Expenses	82.72	51.11	78.38	92.26
	1,113.15	1,011.16	1,109.22	1,120.71

17. Share Capital

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Authorised:		
5,60,50,000 (31 March 2023: 5,60,50,000) equity shares of ₹10 each	5,605.00	5,605.00
34,00,000 (31 March 2023: 34,00,000) preference shares of ₹100 each	3,400.00	3,400.00
8,00,00,000 (31 March 2023: 8,00,00,000) preference shares of ₹10 each	8,000.00	8,000.00
	17,005.00	17,005.00
Issued, subscribed and fully paid-up:		
2,00,18,420 (31 March 2023: 2,00,18,420) equity shares of ₹10 each	2,001.84	2,001.84
	2,001.84	2,001.84

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

	As at 31 March 2024		As at 31 March 2023	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Equity shares				
At the beginning and at the end of the year	2,00,18,420	2,001.84	2,00,18,420	2,001.84

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares with par value of ₹10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared by the Company from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

Notes to Financial Statements for the year ended 31 March 2024

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(c) Particulars of shareholders holding more than 5% shares of fully paid up equity shares

	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of total shares in the class	Number of shares	% of total shares in the class
Equity shares of ₹10 each fully paid up held by				
New India Retailing & Investment Limited	19,45,304	9.7176%	19,45,304	9.7176%
SCM Investment & Trading Company Limited	14,99,890	7.4925%	14,99,890	7.4925%
Ganges Securities Limited	14,78,624	7.3863%	14,78,624	7.3863%
RTM Investment & Trading Company Limited	13,45,192	6.7198%	13,45,192	6.7198%
Mr. Anil Kumar Goel	11,71,000	5.8496%	11,25,000	5.6198%
SIL Investments Limited	11,34,480	5.6672%	11,34,480	5.6672%

(d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

	Year ended 31 March 2023"	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Equity shares of ₹10 each fully paid-up issued as bonus shares	-	-	-	1,00,09,210	-

(e) Details of shares held by promoters:

Sr. No.	Name of promoters	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
As on 31 March 2024						
Equity shares of ₹10 each fully paid up held by						
1	New India Retailing & Investment Limited	19,45,304	-	19,45,304	9.7176%	-
2	SCM Investment & Trading Company Limited	14,99,890	-	14,99,890	7.4925%	-
3	Ganges Securities Limited	14,78,624	-	14,78,624	7.3863%	-
4	RTM Investment & Trading Company Limited	13,45,192	-	13,45,192	6.7198%	-
5	SIL Investments Limited	11,34,480	-	11,34,480	5.6672%	-
6	Yashovardhan Investment & Trading Company Limited	7,63,384	-	7,63,384	3.8134%	-
7	Deepshikha Trading Company Private Limited	6,64,310	-	6,64,310	3.3185%	-
8	Ronson Traders Limited	5,58,692	-	5,58,692	2.7909%	-
9	Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]	5,07,700	-	5,07,700	2.5362%	-

Notes to Financial Statements for the year ended 31 March 2024

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(e) Details of shares held by promoters: (contd.)

Sr. No.	Name of promoters	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
10	Hargaon Investment & Trading Company Limited	4,82,510	-	4,82,510	2.4103%	-
11	Sidh Enterprises Limited	4,29,996	-	4,29,996	2.1480%	-
12	Sonali Commercial Limited	2,98,100	-	2,98,100	1.4891%	-
13	Champan Marketing Company Limited	1,91,284	-	1,91,284	0.9555%	-
14	OSM Investment & Trading Company Limited	1,72,254	-	1,72,254	0.8605%	-
15	Uttam Commercial Limited	1,37,190	-	1,37,190	0.6853%	-
16	Nilgiri Plantations Limited	1,01,200	-	1,01,200	0.5055%	-
17	Mrs. Nandini Nopany	99,404	-	99,404	0.4966%	-
18	Narkatiaganj Farms Limited	74,610	-	74,610	0.3727%	-
19	Mr. Chandra Shekhar Nopany	68,176	-	68,176	0.3406%	-
20	Rajpur Farms Limited	66,618	-	66,618	0.3328%	-
21	Shree Vihar Properties Limited	23,126	-	23,126	0.1155%	-
22	LA Monde Trading & Investments Private Limited	18,466	-	18,466	0.0922%	-
23	Palash Securities Limited	13,614	-	13,614	0.0680%	-
24	Mrs. Urvi Mittal	9,982	-	9,982	0.0499%	-
25	Mr. Arhant Vikram Nopany	3,668	-	3,668	0.0183%	-
26	Pavapuri Trading and Investment Company Limited	848	-	848	0.0042%	-
27	The Oudh Trading Company Private Limited	550	-	550	0.0027%	-
		1,20,89,172	-	1,20,89,172	60.3901%	-
As on 31 March 2023						
Equity shares of ₹10 each fully paid up held by						
1	New India Retailing & Investment Limited	19,45,304	-	19,45,304	9.7176%	-
2	SCM Investment & Trading Company Limited	14,99,890	-	14,99,890	7.4925%	-
3	Ganges Securities Limited	14,78,624	-	14,78,624	7.3863%	-
4	RTM Investment & Trading Company Limited	13,45,192	-	13,45,192	6.7198%	-
5	SIL Investments Limited	11,34,480	-	11,34,480	5.6672%	-
6	Yashovardhan Investment & Trading Company Limited	7,63,384	-	7,63,384	3.8134%	-
7	Deepshikha Trading Company Private Limited	6,64,310	-	6,64,310	3.3185%	-
8	Ronson Traders Limited	5,58,692	-	5,58,692	2.7909%	-
9	Mr. Chandra Shekhar Nopany [As Trustee of Shekhar Family Trust]	5,07,700	-	5,07,700	2.5362%	-
10	Hargaon Investment & Trading Company Limited	4,82,510	-	4,82,510	2.4103%	-
11	Sidh Enterprises Limited	4,29,996	-	4,29,996	2.1480%	-
12	Sonali Commercial Limited	2,98,100	-	2,98,100	1.4891%	-

Notes to Financial Statements for the year ended 31 March 2024

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(e) Details of shares held by promoters: (contd.)

Sr. No.	Name of promoters	No. of shares at the beginning of the year	Change during year	No. of shares at the end of the year	% of total shares	% Change during the year
13	Champaran Marketing Company Limited	1,91,284	-	1,91,284	0.9555%	-
14	OSM Investment & Trading Company Limited	1,72,254	-	1,72,254	0.8605%	-
15	Uttam Commercial Limited	1,37,190	-	1,37,190	0.6853%	-
16	Nilgiri Plantations Limited	1,01,200	-	1,01,200	0.5055%	-
17	Mrs. Nandini Nopany	99,404	-	99,404	0.4966%	-
18	Narkatiaganj Farms Limited	74,610	-	74,610	0.3727%	-
19	Mr. Chandra Shekhar Nopany	68,176	-	68,176	0.3406%	-
20	Rajpur Farms Limited	66,618	-	66,618	0.3328%	-
21	Shree Vihar Properties Limited	23,126	-	23,126	0.1155%	-
22	LA Monde Trading & Investments Private Limited	18,466	-	18,466	0.0922%	-
23	Palash Securities Limited	13,614	-	13,614	0.0680%	-
24	Mrs. Urvi Mittal	9,982	-	9,982	0.0499%	-
25	Mr. Arhant Vikram Nopany	3,668	-	3,668	0.0183%	-
26	Pavapuri Trading and Investment Company Limited	848	-	848	0.0042%	-
27	The Oudh Trading Company Private Limited	550	-	550	0.0027%	-
		1,20,89,172	-	1,20,89,172	60.3901%	-

18. Other Equity

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Capital Reserve		
Balance at the beginning and at the end of the year	25,761.69	25,761.69
Capital Redemption Reserve		
Balance at the beginning and at the end of the year	5,569.08	5,569.08
Molasses Storage and Maintenance Reserve		
Balance at the beginning of the year	212.82	169.45
Provided during the year [Note 33]	58.10	43.37
Transferred to Retained Earnings	(219.70)	-
Balance at the end of the year	51.22	212.82
Retained Earnings		
Balance at the beginning of the year	51,200.84	43,231.25
Profit for the year	12,811.10	10,023.94
Remeasurement loss of defined benefit plans (net of tax)	(7.94)	(52.51)
Transferred from Molasses Storage and Maintenance Reserve	219.70	-
Final Dividend paid on equity shares	(2001.84)	(2001.84)
Balance at the end of the year	62,221.86	51,200.84
Equity Instruments through OCI		
Balance at the beginning of the year	4,369.36	4,306.44
Net change in fair value (net of tax)	2,857.86	62.92
Balance at the end of the year	7,227.22	4,369.36
	1,00,831.07	87,113.79

Notes to Financial Statements for the year ended 31 March 2024

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(a) Dividend on equity shares

The following dividends were declared and paid by the Company during the year:

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
₹10 per equity share (31 March 2023: ₹10 per equity share) as final dividend	2,001.84	2,001.84

After the reporting date, the following dividends were proposed by the Board of Directors, subject to the approval of Shareholders at the ensuing annual general meeting; the dividends have not been recognised as liabilities.

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Proposed dividend for the year ended 31 March 2024 ₹10 per equity share (31 March 2023: ₹10 per equity share)	2,001.84	2,001.84
	2,001.84	2,001.84

19. Borrowings

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Non-current Borrowings		
Term Loans (secured)		
From banks -		
Rupee term loans	32,412.94	31,543.71
Under financial assistance scheme (SEFASU 2018 - State)	1,279.94	6,246.28
Under financial assistance scheme (SEFASM 2018 - Central)	3,548.70	5,897.20
	37,241.58	43,687.19
Current portion of Non-current borrowings disclosed in current borrowings stated below	11,090.83	13,054.82
	26,150.75	30,632.37
Current Borrowings		
Secured		
Current portion of Non-current borrowings	11,090.83	13,054.82
From banks (repayable on demand)		
Cash credit including working capital demand loan	84,833.28	61,030.09
Unsecured		
Working capital demand loan from a bank (repayable on demand)	9,500.00	2,000.00
	1,05,424.11	76,084.91

The Company's exposure to interest and liquidity risk is included in Note 43(C).

Notes to Financial Statements for the year ended 31 March 2024

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Nature of Securities and Terms of repayment

(i) Terms and repayment schedule

	Interest rate / range	Instalments	Instalments Starting from	Maturity	Carrying amount (₹in lakhs)	
					As at 31 March 2024	As at 31 March 2023
Secured rupee term loan	8.80% p.a. to 9.65% p.a.	Quarterly	January, 2023	October, 2027	15,660.38	17,007.22
Secured rupee term loan	9.00% p.a. to 9.70% p.a.	Quarterly	December, 2018	September, 2025	2,724.05	4,185.83
Secured rupee term loan	9.00% p.a. to 9.45% p.a.	Quarterly	January, 2024	October, 2028	9,746.42	3,427.94
Secured rupee term loan	7.90% p.a. to 8.70% p.a.	Quarterly	March, 2019	October, 2025	2,064.17	3,043.20
Secured rupee term loan	9.25% p.a. to 10.15% p.a.	Quarterly	June, 2019	February, 2025	1,371.03	2,670.51
Secured rupee term loan	8.45% p.a. to 9.65% p.a.	Quarterly	June, 2019	March, 2026	846.89	1,209.01
Secured term loan under financial assistance scheme (SEFASU 2018 State)	5% p.a.	Monthly	July, 2019	June, 2024	1,279.94	6,246.28
Secured rupee term loan under financial assistance scheme (SEFASM 2018 Central)	9.00% p.a. to 9.75% p.a.	Quarterly	October, 2021	July, 2025	3,548.70	5,897.20
Secured cash credit including working capital demand loan	7.48% p.a. to 9.15% p.a.	Not applicable	Not applicable	On demand	84,833.28	61,030.09
Unsecured working capital demand loan	7.75% p.a. to 8.00% p.a.	Not applicable	Not applicable	On demand	9,500.00	2,000.00
					1,31,574.86	1,06,717.28

(ii) Nature of security

- Term loan / Rupee term loans of **₹37,241.58 lakhs** (31 March 2023: ₹43,687.19 lakhs) are secured by first mortgage / charge created on all the property, plant and equipment of the Company, both present and future, ranking pari-passu amongst the various lenders.
- Term loan of **₹3,548.70 lakhs** (31 March 2023: ₹5,897.20 lakhs) under the scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity (SEFASM 2018 - Central) is entitled for interest subvention from the Government of India upto 6% p.a. or 50% of rate of interest charged by banks as per terms of the scheme.
- Cash credit borrowing including Working capital demand loan (WC DL) from banks are secured by hypothecation of all current assets of the Company ranking pari-passu amongst the various lenders and also by 3rd charge on all the property, plant and equipment of the Company, both present and future

Notes to Financial Statements for the year ended 31 March 2024

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(iii) The Company is filing monthly stock statement to Banks for working capital facilities. The below is summary of reconciliation of quarterly statement filed to the banks and books of accounts :

Quarter ended on	Amount as per books of account (₹in lakhs)	Amount as reported in the quarterly return / statement (₹in lakhs)	Amount of difference (₹in lakhs)
31 March 2024	1,49,497.02	1,60,548.96	(11,051.94)
31 December 2023	70,600.62	67,546.17	3,054.45
30 September 2023	37,562.30	36,314.84	1,247.46
30 June 2023	1,00,830.51	1,01,592.50	(761.99)
31 March 2023	1,08,503.06	1,01,200.01	7,303.05
31 December 2022	53,574.33	46,092.14	7,482.19
30 September 2022	45,233.60	42,311.37	2,922.23
30 June 2022	95,174.23	93,439.67	1,734.56

The amount as per books of account represents the total value of inventories of finished goods / semi finished goods, stores, chemicals and spare parts, by products etc., whereas, as per terms and conditions (including valuation methodology) of the loan agreements, certain inventory values do not form part of stock statements submitted with banks.

20. Lease

As Lessee

The Company has lease contracts for various items of land, buildings (including godowns), vehicles and other equipment used in its operations. The Company's obligation under its lease are secured by lessor's title to the leased assets.

The Company also has certain leases of godowns and vehicles with lease term of twelve months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amount of right-of-use assets (non-cash investing activity) included in Note 4 and its movements during the year are as under:

(₹ in lakhs)

Particulars	Land *	Building	Land License - Railways Site	Total
Balance as at 1 April 2023	11.96	84.45	-	96.41
Addition during the year	-	-	114.12	114.12
Depreciation for the year	(0.75)	(29.75)	(22.82)	(53.32)
Balance as at 31 March 2024	11.21	54.70	91.30	157.21
Balance as at 1 April 2022	12.71	165.40	21.31	199.42
Addition during the year	-	114.03	-	114.03
Deduction on termination of lease during the year	-	(165.40)	-	(165.40)
Depreciation for the year	(0.75)	(29.58)	(21.31)	(51.64)
Balance as at 31 March 2023	11.96	84.45	-	96.41

* Agreement of leasehold land (held by the Company since 1 April 2015) is in the name of the erstwhile company.

Notes to Financial Statements for the year ended 31 March 2024

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20. Lease (contd.)

Lease liabilities is being measured by discounting the lease payments using incremental borrowing rate i.e. 8.50% p.a. Movement of the carrying amount of lease liabilities are as under:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	87.90	242.67
Additions during the year	114.12	114.03
Deduction on termination of lease during the year	-	-191.83
Finance cost accrued during the year	16.28	11.38
Payment of lease liabilities (including finance cost) for the year	(60.46)	(88.35)
Balance at the end of the year	157.84	87.90
Lease liabilities - Non-current	95.60	52.90
Lease liabilities - Current	62.24	35.00
	157.84	87.90

The maturity analysis of lease liabilities on an undiscounted basis are as under:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	62.24	35.00
One to two years	59.15	35.00
Two to five years	64.56	30.00
Total	185.95	100.00

The followings are the amounts recognised during the year in profit or loss::

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Income:		
Gain on termination of lease [Note 27]	-	26.43
Expenses:		
Interest on lease liabilities [Note 31]	16.28	11.38
Depreciation on right-of-use assets [Note 4]	53.32	51.64
Expenses relating to short-term and low-value leases [Note 33]	30.81	25.17
Total	100.41	88.19

There is no liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when due.

21. Trade Payables

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises *	295.43	334.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	37,643.70	36,113.10
	37,939.13	36,448.03

* Not overdue in terms of section 15 of MSMED Act 2006.

The Company's exposure to currency and liquidity risk related to trade payable are disclosed in Note 43(C).

Notes to Financial Statements for the year ended 31 March 2024

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21. Trade Payables (contd.)

a) The following details relating to Micro, small and medium enterprises are as under:

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year:		
Principal amount due	-	-
Interest due on above	-	-
Total	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006) along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	135.67	150.28
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

b) Trade payables aging schedule:

(₹ in lakhs)

Particulars	Unbilled dues	Not due	Outstanding for following periods from due dates of payment / date of transaction				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As on 31 March 2024							
(i) MSME	-	295.43	-	-	-	-	295.43
(ii) Others	204.35	0.49	37,302.44	18.13	28.37	23.08	37,576.86
(iii) Disputed dues MSME	-	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	66.84	66.84
	204.35	295.92	37,302.44	18.13	28.37	89.92	37,939.13

Notes to Financial Statements for the year ended 31 March 2024

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(b) Trade payables aging schedule: (contd.)

Particulars	Unbilled dues	Not due	Outstanding for following periods from due dates of payment / date of transaction				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As on 31 March 2023							
(i) MSME	-	334.93	-	-	-	-	334.93
(ii) Others	354.19	119.40	35,433.36	49.94	37.10	46.32	36,040.31
(iii) Disputed dues MSME	-	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	72.79	72.79
	354.19	454.33	35,433.36	49.94	37.10	119.11	36,448.03

22. Other Financial Liabilities

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Trade and other deposits	413.94	218.08
Interest accrued but not due	458.56	286.13
Payable to employees	1,283.44	1,729.20
Liability for capital goods	617.83	717.56
Unclaimed dividend *	51.78	37.23
Other payables	23.16	19.67
	2,848.71	3,007.87

* There is no amounts due and outstanding to be credited to Investor Education and Protection Fund.

The Company's exposure to liquidity risks related to the above financial liabilities is disclosed in Note 43(C).

23. Other Liabilities

(₹ in lakhs)

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Advance from customers	-	-	429.52	472.61
Statutory dues payable	-	-	995.01	897.40
Deferred Income on Government Grant [Note 42]	-	5.63	5.63	175.95
	-	5.63	1,430.16	1,545.96

24. Provisions

(₹ in lakhs)

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits				
Net defined benefit liability - Gratuity	80.04	209.77	369.30	358.74
Provision for compensated absences	-	-	390.35	355.35
	80.04	209.77	759.65	714.09

Notes to Financial Statements for the year ended 31 March 2024

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Defined benefits - Gratuity Plan

The Company has a defined benefit gratuity plan. Every employee who has completed continuously at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The approved gratuity fund of erstwhile companies in respect of transferred business undertakings has been transferred to the Company and which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.

Net defined benefit liabilities

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligations	2,721.15	2,607.78
Fair value of plan assets	2,271.81	2,039.27
Net defined benefit liabilities	449.34	568.51

These defined benefit plans expose the Company to actuarial risks, such as interest risk and market (investment) risk.

The Company expects to contribute **₹369.30 lakhs** to Gratuity Fund in the next year.

Inherent risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The following tables analyse present value of defined benefit obligations, fair value of defined plan assets, actuarial gain / (loss) on plan assets, expense recognised in the Statement of Profit and Loss and Other Comprehensive Income, actuarial assumptions and other information:

Reconciliation of the net defined benefit liabilities / (assets):

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
(i) Reconciliation of present value of defined benefit obligations		
(a) Balance at the beginning of the year	2,607.78	2,380.50
(b) Service cost	166.93	159.11
(c) Interest cost	191.67	164.73
(d) Benefits paid	(249.33)	(181.03)
(e) Actuarial (gain) / loss on defined benefit obligations:		
- due to change in financial assumptions	33.91	(66.46)
- due to experience changes	(29.81)	150.93
Balance at the end of the year	2,721.15	2,607.78
(ii) Reconciliation of fair value of plan assets		
(a) Balance at the beginning of the year	2,039.27	1,818.39
(b) Actual return on plan assets	141.78	129.59
(c) Contributions by the employer	340.09	272.32
(d) Benefits paid	(249.33)	(181.03)
Balance at the end of the year	2,271.81	2,039.27
(iii) Actuarial gain / (loss) on plan assets		
(a) Expected Interest Income	149.88	125.83
(b) Actual return on plan assets	141.78	129.59
Actuarial gain / (loss) on plan assets	(8.10)	3.76

Notes to Financial Statements for the year ended 31 March 2024

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Reconciliation of the net defined benefit liabilities / (assets): (contd.)

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
(iv) Expense recognised in Employee benefits expenses		
(a) Service cost	166.93	159.11
(b) Interest cost	191.67	164.73
(c) Interest income	(149.88)	(125.83)
Amount charged to Employee benefits expenses	208.72	198.01
(v) Remeasurement recognised in Other Comprehensive Income		
(a) Actuarial loss on defined benefit obligations	(4.10)	(84.47)
(b) Actuarial (loss) / gain on plan assets	(8.10)	3.76
Amount recognised in Other Comprehensive Income	(12.20)	(80.71)
(vi) Plan assets		
Plan assets comprise of the following:		
(a) Investments with LIC	100%	100%
(vii) Actuarial assumptions		
Principal actuarial assumptions at the reporting date (expressed as weighted averages)		
(a) Discount rate	7.13%	7.35%
(b) Future salary growth	5.00%	5.00%
(c) Attrition rates	Less than 40 Years - 4.20%	40 Years and above - 1.80%
(d) Weighted average duration of defined benefit obligation	7 Years	7 Years

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2012-14).

(viii) Method of determining defined benefit obligation:

Project Unit Credit (PUC)

(ix) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

(₹ in lakhs)

	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
(a) Discount rate (0.50% movement)	(75.95)	80.05	(73.58)	77.57
(b) Future salary growth (1% movement)	163.56	(150.22)	158.42	(144.93)
(c) Withdrawal assumption (4% movement)	67.11	(50.62)	73.59	(56.37)

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions as shown.

Notes to Financial Statements for the year ended 31 March 2024

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(x) The following undiscounted payments are expected contributions to the defined benefit plan in future years:

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Within the next 12 months	369.30	358.74
Between 1 and 2 years	145.55	150.13
Between 2 and 3 years	345.74	270.20
Between 3 and 4 years	289.74	323.39
Between 4 and 5 years	266.98	270.09
Between 5 and 6 years	305.69	250.98
Beyond 6 years	2,700.70	2,715.63
Total expected payments	4,423.70	4,339.16

25. Deferred Tax Liabilities (net)

(₹ in Lakhs)

	As at 31 March 2022	Recognised in profit or loss	Recognised in OCI	As at 31 March 2023	Recognised in profit or loss	Recognised in OCI	As at 31 March 2024
Deferred tax liabilities							
PPE including intangible assets	15,209.65	279.77	-	15,489.42	241.09	-	15,730.51
Investments	368.46	-	0.98	369.44	-	376.76	746.20
	15,578.11	279.77	0.98	15,858.86	241.09	376.76	16,476.71
Deferred tax assets							
Carried forward tax losses	16.92	-	-	16.92	(11.06)	-	5.86
MAT credit entitlement	12,605.14	(1,510.55)	-	11,094.59	(3,317.85)	-	7,776.74
Provisions - employee benefits	227.15	67.49	28.20	322.84	(33.68)	4.26	293.42
Provisions - others	4.82	(1.54)	-	3.28	(1.47)	-	1.81
Deduction allowed on payment / other basis	563.56	(119.32)	-	444.24	182.70	-	626.94
	13,417.59	(1,563.92)	28.20	11,881.87	(3,181.36)	4.26	8,704.77
Net deferred tax liabilities / (assets)	2,160.52	1,843.69	(27.22)	3,976.99	3,422.45	372.50	7,771.94

MAT credit entitlement is the amount which is available for set off in subsequent years against income tax liabilities as per the provisions of the Income Tax Act, 1961. The MAT credit entitlement recognised will expire as follows:

Year of expiry, based on the last day of the financial year for which MAT credit is available for use as per prevailing tax laws as at the reporting date:

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Assessment Year 2032-2033 [Financial Year 2031-2032]	-	1,419.85
Assessment Year 2033-2034 [Financial Year 2032-2033]	692.03	2,590.03
Assessment Year 2034-2035 [Financial Year 2033-2034]	3,452.41	3,452.41
Assessment Year 2035-2036 [Financial Year 2034-2035]	1,887.82	1,887.82
Assessment Year 2036-2037 [Financial Year 2035-2036]	1,744.48	1,744.48
	7,776.74	11,094.59

Notes to Financial Statements for the year ended 31 March 2024

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26. Revenue from Operations

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Sale of Goods		
Finished goods	2,50,366.33	2,59,408.83
Stock-in-trade	2,292.07	2,483.91
Power	5,922.64	5,133.20
By products	9,618.45	11,535.36
Others	257.91	475.74
	2,68,457.40	2,79,037.04
Other operating revenue		
Income from Carbon Emission Reduction (CER)	-	47.74
Scrap Sales	894.04	716.71
	894.04	764.45
Total revenue from operations	2,69,351.44	2,79,801.49

Disaggregated revenue information

The disaggregation of the Company's revenue from contracts with customers are as under:

(₹ in lakhs)

	Segment				Total
	Sugar	Distillery	Co-generation	Others	
Year ended 31 March 2024					
Revenue based on the type of goods sold to customers:					
<i>Finished goods</i>					
- Sugar	1,91,809.88	-	-	-	1,91,809.88
- Spirits	-	58,556.45	-	-	58,556.45
	1,91,809.88	58,556.45	-	-	2,50,366.33
<i>Stock-in-trade</i>					
- Diesel	-	-	-	1,954.75	1,954.75
- Oil and Lubricants	-	-	-	337.32	337.32
	-	-	-	2,292.07	2,292.07
<i>Power</i>	-	-	5,922.64	-	5,922.64
<i>By products</i>					
- Molasses	1,157.55	-	-	-	1,157.55
- Bagasse	7,861.52	-	-	-	7,861.52
- Press-mud	599.38	-	-	-	599.38
	9,618.45	-	-	-	9,618.45
<i>Others</i>	-	0.21	257.70	-	257.91
	2,01,428.33	58,556.66	6,180.34	2,292.07	2,68,457.40
Revenue based on the type of customers:					
- Government entities (including PSUs)	-	58,556.45	5,922.64	-	64,479.09
- Others	2,01,428.33	0.21	257.70	2,292.07	2,03,978.31
	2,01,428.33	58,556.66	6,180.34	2,292.07	2,68,457.40

Notes to Financial Statements for the year ended 31 March 2024

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The disaggregation of the Company's revenue from contracts with customers are as under:(contd.)

(₹ in lakhs)

	Segment				Total
	Sugar	Distillery	Co-generation	Others	
Year ended 31 March 2023					
Revenue based on the type of goods sold to customers:					
<i>Finished goods</i>					
- Sugar	2,03,463.64	-	-	-	2,03,463.64
- Spirits	-	55,945.19	-	-	55,945.19
	2,03,463.64	55,945.19	-	-	2,59,408.83
<i>Stock-in-trade</i>					
- Diesel	-	-	-	2,135.89	2,135.89
- Oil and Lubricants	-	-	-	348.02	348.02
	-	-	-	2,483.91	2,483.91
<i>Power</i>	-	-	5,133.20	-	5,133.20
<i>By products</i>					
- Molasses	1,083.33	-	-	-	1,083.33
- Bagasse	9,735.74	-	-	-	9,735.74
- Press-mud	716.29	-	-	-	716.29
	11,535.36	-	-	-	11,535.36
Others	-	-	475.74	-	475.74
	2,14,999.00	55,945.19	5,608.94	2,483.91	2,79,037.04
Revenue based on the type of customers:					
- Government entities (including PSUs)	-	55,767.02	5,133.20	-	60,900.22
- Export through third parties	46,614.54	-	-	-	46,614.54
- Others	1,68,384.46	178.17	475.74	2,483.91	1,71,522.28
	2,14,999.00	55,945.19	5,608.94	2,483.91	2,79,037.04

The reconciliation of the revenue from contracts with customers and other operating revenue with amount disclosed in the segment information [Note 40]:

(₹ in lakhs)

	Segment				Total
	Sugar	Distillery	Co-generation	Others	
Year ended 31 March 2024					
Sale of Goods					
- External customers	2,01,428.33	58,556.66	6,180.34	2,292.07	2,68,457.40
- Inter-segment	47,986.01	-	13,882.87	-	61,868.88
Other Operating Revenue	862.04	32.00	-	-	894.04
	2,50,276.38	58,588.66	20,063.21	2,292.07	3,31,220.32
Less: Inter-segment elimination	47,986.01	-	13,882.87	-	61,868.88
Less: Other Operating Revenue	862.04	32.00	-	-	894.04
	2,01,428.33	58,556.66	6,180.34	2,292.07	2,68,457.40
Year ended 31 March 2023					
Sale of Goods					
- External customers	2,14,999.00	55,945.19	5,608.94	2,483.91	2,79,037.04
- Inter-segment	55,633.23	-	15,174.91	-	70,808.14

Notes to Financial Statements for the year ended 31 March 2024

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26. Revenue from Operations (contd.)

(₹ in lakhs)

	Segment				Total
	Sugar	Distillery	Co-generation	Others	
Other Operating Revenue	688.47	28.24	47.74	-	764.45
	2,71,320.70	55,973.43	20,831.59	2,483.91	3,50,609.63
Less: Inter-segment elimination	55,633.23	-	15,174.91	-	70,808.14
Less: Other Operating Revenue	688.47	28.24	47.74	-	764.45
	2,14,999.00	55,945.19	5,608.94	2,483.91	2,79,037.04

- a) The Company presented disaggregated revenue based on the type of goods sold to customers and type of customers. Further, the Company's sales are made within India including export through third party and revenue is recognised for goods transferred at a point in time. The Company's performance obligations are satisfied on delivery of goods to the customer. Delivery of goods completes when the goods have been dispatched or delivered to the specific location, of the customer, as the case may be.

The Company does not have any contracts where the period between the transfer of the promised goods to the customer and payments by the customer exceeds one year and hence, there are no significant financing component included in such contracts.

The Company believes that the above disaggregation depicts the nature, amount, timing and uncertainty of revenues and cash flows effected by industry, market and other economic factors.

- b) For Contract balances i.e. trade receivables [Note 10] and advance from customers [Note 23].
- c) The amount of **₹472.61 lakhs** included in contract liabilities [Note 23] at 31 March 2023 has been recognised as revenue during the year ended 31 March 2024 (31 March 2023: ₹2,317.66 lakhs).
- d) The amount of revenue from contracts with customers recognised in the statement of profit and loss is the contracted price.

27. Other Income

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on:		
- Loans and deposits	42.48	23.17
- Refund from income tax department	13.02	-
Dividend income from investment in equity instruments	104.03	96.60
Insurance and other claims	-	22.52
Gain on Sale / Discard of Property, Plant & Equipment (net)	2.33	554.89
Unspent liabilities, Provisions no longer required and Unclaimed balances written back	60.09	68.97
Income from investments in co-operative farming societies	87.15	81.50
Change in fair value of biological assets other than bearer plants [Note 9]	2.26	17.53
Gain on termination of lease [Note 20]	-	26.43
Forex Fluctuation Gain (net)	-	0.12
Miscellaneous income	34.90	33.75
	346.26	925.48

Notes to Financial Statements for the year ended 31 March 2024

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28. Cost of Raw Materials Consumed

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Inventory of materials at the beginning of the year	7,935.72	6,142.42
Add: Purchases and procurement expenses *	2,38,259.53	2,09,022.19
	2,46,195.25	2,15,164.61
Less: Inventory of materials at the end of the year	4,490.27	7,935.72
	2,41,704.98	2,07,228.89

* Net of Government grants [Note 42].

29. Change in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the end of the year		
Finished goods	1,35,300.23	85,052.12
Stock-in-trade	29.33	22.60
Power - Banked	129.47	29.18
By Products	5,531.70	11,167.62
Work-in-progress	1,743.48	1,932.51
Scrap	55.73	84.33
	1,42,789.94	98,288.36
Inventories at the beginning of the year		
Finished goods	85,052.12	96,615.48
Stock-in-trade	22.60	24.24
Power - Banked	29.18	33.16
By Products	11,167.62	9,740.28
Work-in-progress	1,932.51	1,756.67
Scrap	84.33	77.06
	98,288.36	1,08,246.89
	(44,501.58)	9,958.53

30. Employee benefits expense

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages, bonus etc. [Note (a) below]	10,243.47	10,828.03
Contribution to provident and other funds	1,013.85	799.68
Expenses related to post-employment defined benefit plans [Note 24]	208.72	198.01
Staff welfare expenses	277.44	217.68
	11,743.48	12,043.40

Notes:

- (a) In previous year, arrears of wages of ₹1,180.77 lakhs upto 31 March 2022 payable towards revision of wages of workmen covered under wage board by the Government of Uttar Pradesh with retrospective effect in sugar and distillery industries included.

Notes to Financial Statements for the year ended 31 March 2024

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(b) Defined contribution plans

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Contribution to Provident / Pension Funds	994.04	775.94
Contribution to Superannuation Fund	19.81	23.74
	1,013.85	799.68

31. Finance costs

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on financial liabilities measured at amortised cost *	8,140.20	6,919.18
Interest on lease liabilities [Note 20]	16.28	11.38
Interest on income tax	0.17	0.06
	8,156.65	6,930.62

* Net of Government grants [Note 42] and interest capitalised [Note 5].

32. Depreciation and amortization expense

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment * [Note 4]	5,517.89	5,092.47
Amortisation of intangible assets [Note 6]	10.63	19.49
	5,528.52	5,111.96

* Excluding ₹0.13 lakhs (31 March 2023: ₹0.20 lakhs) in relation to farm assets.

33. Other expenses

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Consumption of stores and spares	3,488.36	3,515.96
Packing materials	2,960.01	2,042.81
Power and fuel	209.99	238.19
Repairs to:		
- Machinery	5,901.08	5,694.65
- Buildings	1,057.07	782.29
- Others	279.71	247.18
Rent [Note 20]	30.81	25.17
Rates and taxes	1,479.67	858.21
Insurance	358.62	442.50
Payment to auditors [refer Note (a) below]	76.03	62.56
Payment to cost auditors	1.93	1.93
Commission on sales	674.83	600.41
Freight and forwarding charges	5,688.01	5,398.15
Charity and donations	126.48	101.03
Loss allowance on advances	5.19	-
Bad debts, irrecoverable claims and advances written off	9.33	0.10
Less: Adjusted against provisions	9.33	0.10

Notes to Financial Statements for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

33. Other expenses (contd.)

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Molasses storage and maintenance fund [Note 18]	58.10	43.37
Corporate Social Responsibility expenses [refer Note (b) below]	278.96	256.71
Director's commission [Note 41]	70.00	70.00
Director's sitting fees [Note 41]	25.60	25.60
Miscellaneous expenses	2,374.35	2,256.62
	25,144.80	22,663.34

(a) Payment to auditors

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
As Auditors		
- Statutory audit	35.00	35.00
- Tax audit	9.00	-
- Limited review of quarterly results	21.00	21.00
In other capacity		
- For certificates and other services	4.05	2.00
Reimbursement of expenses	6.98	4.56
	76.03	62.56

(b) Corporate Social Responsibility expenses

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
(i) Gross amount required to be spent by the Company during the year	274.96	255.34
(ii) Amount approved by the Board to be spent during the year	278.50	256.38
(iii) Amount spent during the year on:		
(i) Construction / acquisition of any asset		
- In Cash	-	-
- Yet to be paid in cash	-	-
Total	-	-
(ii) On purpose other than (i) above		
- In Cash	278.96	256.71
- Yet to be paid in cash	-	-
Total	278.96	256.71
(iv) Surplus at the end of the year (not recognised as asset)	7.98	3.98
(v) Total of previous years surplus	3.98	2.61
(vi) Reason for shortfall, if any	Not Applicable	
(vii) Nature of CSR Activities		
(A) Eradicating hunger, poverty and malnutrition, promoting health case including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	44.85	69.75

Notes to Financial Statements for the year ended 31 March 2024

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(b) Corporate Social Responsibility expenses (contd.)

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
(B) Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	207.00	171.83
(C) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.	27.11	15.13
	278.96	256.71
(viii) The Movements in the provision for CSR expenditure during the year		
Provision for CSR expenditure at the beginning and at the end of the year	-	-

34. Tax expense

(₹ in lakhs)

	Year ended 31 March 2024		Year ended 31 March 2023	
Current tax				
Provision of income tax for current year	3,432.90		2,490.11	
Adjustments for income tax related to earlier years	-	3,432.90	2.18	2,492.29
Deferred tax				
Attributable to origination and reversal of temporary differences / MAT credits		3,422.45		1,843.69
		6,855.35		4,335.98

Reconciliation of effective tax

(₹ in lakhs)

	Year ended 31 March 2024		Year ended 31 March 2023	
	Rate	(₹ in lakhs)	Rate	(₹ in lakhs)
Profit before tax		19,666.45		14,359.92
Tax using the Company's domestic tax rate	34.944%	6,872.24	34.944%	5,017.93
Tax effect of:				
- Reversal of deferred tax liabilities (net) due to re-measurement of deferred tax assets / liabilities as per Ind-AS 12 "Income Taxes"		(366.59)		(497.68)
- Others (including permanent differences)		349.70		(184.27)
		6,855.35		4,335.98

Notes to Financial Statements for the year ended 31 March 2024

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35. Earnings per equity share (EPS)

Basic and Diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
(i) Profit attributable to equity shareholders (₹ in lakhs)	12,811.10	10,023.94
(ii) Weighted average number of equity shares for the year		
At the beginning and at the end of the year	2,00,18,420	2,00,18,420
(iii) Earning per equity share [Nominal value of share ₹10] [(i)/(ii)]		
Basic and Diluted (₹)	64.00	50.07

There is no dilutive potential equity share.

36. Capital and Other Commitments

Estimated amount of contracts remaining to be executed and not provided for (net of advances) ₹4,912.67 lakhs (31 March 2023: ₹2,404.25 lakhs) including ₹4,276.23 lakhs (31 March 2023: ₹2,013.82 lakhs) related to Property, Plant and Equipment.

37. Contingent Liabilities (to the extent not provided for)

Claims against the Company not acknowledged as debt

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
(i) Excise duty and service tax	171.88	172.81
(ii) Sugarcane Society Commission pertaining to Sugar Season 2012-13, 2014-15 and partly for 2015-16	3,962.76	3,962.76
(iii) Sales tax	192.20	192.20
(iv) Duty under state acts	448.87	448.87
(v) Others	37.84	437.63
Total *	4,813.55	5,214.27

* Notes:

- (1) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments / decisions pending with various forums / authorities.
- (2) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.
- (3) In case of Excise duty and service tax, amount does not include ₹171.57 lakhs (31 March 2023: ₹475.61 lakhs) and ₹120.23 lakhs (31 March 2023: ₹120.23 lakhs) in respect of Show Cause Notices and Remanded Cases to original adjudicating authority respectively pertaining to earlier years.

38. Regulatory fee @ ₹20 per quintals of molasses sales / inter-unit transfers imposed by the State Government of Uttar Pradesh w.e.f. 24 December 2021 has been accounted for. The matter is sub-judice.

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39. Title deeds of freehold land of ₹2,333.00 lakhs (31 March 2023: ₹2,761.41 lakhs) are yet to be executed, pending for registration in favour of the Company. However, the said land is not being part of security offered to lenders, details of which are given below:

(₹ in Lakhs)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative # of promoter * / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
As on 31 March 2024:						
PPE	Freehold Land	2,093.83	The erstwhile company ##	No	1 April 2015	Refer Note given below
PPE	Freehold Land	160.88	The erstwhile company ##	No	1 April 2015	The matter is sub-judice.
PPE	Freehold Land	65.41	Shri Rajesh Sharma	Yes**	1 April 2015	Registration is pending.
PPE	Freehold Land	12.80	Shri Chagan Lal Giria	No	1 April 2015	Registration is pending.
PPE	Freehold Land	0.08	Co-operative Farming Societies	No	1 April 2015	The matter is sub-judice.
		2,333.00				
As on 31 March 2023:						
PPE	Freehold Land	2,465.79	The erstwhile company ##	No	1 April 2015	Refer Note given below
PPE	Freehold Land	160.88	The erstwhile company ##	No	1 April 2015	The matter is sub-judice.
PPE	Freehold Land	65.41	Shri Rajesh Sharma	Yes**	1 April 2015	Registration is pending.
PPE	Freehold Land	43.77	Shri Bal Kishor Malpani	No	1 April 2015	Registration is pending.
PPE	Freehold Land	12.80	Shri Chagan Lal Giria	No	1 April 2015	Registration is pending.
PPE	Freehold Land	8.04	Shri Vinod Kumar Beria	Yes**	1 April 2015	Registration is pending.
PPE	Freehold Land	4.64	Shri Yogendar Kumar Rakesh	No	1 April 2015	Registration is pending.
PPE	Freehold Land	0.08	Co-operative Farming Societies	No	1 April 2015	The matter is sub-judice.
		2,761.41				

Note: Mutation in the name of the Company is pending.

Relative here means relative as defined in the Companies Act, 2013.

* Promoter here means promoter as defined in the Companies Act, 2013.

Acquired pursuant to the Scheme of Arrangement approved by the NCLT.

** Pending formalities.

Notes to Financial Statements for the year ended 31 March 2024

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40. Operating Segments

A. Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments and its operating results are reviewed regularly by the Company's Whole-Time Director (WTD) as the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has three reportable segments as described below, which are the Company's strategic business:

Reportable segments	Operations
Sugar	Manufacture and sale of sugar, molasses and bagasse
Distillery	Manufacture and sale of industrial spirits (including ethanol) and fusel oil
Co-generation	Generation and transmission of power
Others	Trading of petroleum products business comprising of less than 10% revenues.

B. Information about reportable segments

Information related to each reportable segment is set-out below. The Company's WTD reviews the results of each segment on a quarterly basis. The Company's WTD uses Earning Before Interest and Tax (EBITA) to assess the performance of the operating segments. Segment is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within same industries. Inter-segment pricing is determined on an arm's length basis.

(₹ in lakhs)

	Reportable Segments				Total
	Sugar	Distillery	Co-generation	Others	
Year ended 31 March 2024					
Revenue:					
Segment revenue	2,50,276.38	58,588.66	20,063.21	2,292.07	3,31,220.32
Less: Inter-segment revenue	47,986.01	-	13,882.87	-	61,868.88
Total revenue from operations	2,02,290.37	58,588.66	6,180.34	2,292.07	2,69,351.44
Segment profit before finance costs, tax and unallocable items	16,038.77	12,255.88	1,039.12	41.70	29,375.47
Finance costs					8,156.65
Unallocable expenses (net of unallocable income)					1,552.37
Profit before tax					19,666.45
As at 31 March 2024					
Segment assets	2,15,110.90	27,165.02	32,973.84	33.23	2,75,282.99
Unallocated assets					10,112.25
Total assets					2,85,395.24
Segment liabilities	41,293.76	970.64	253.03	1.12	42,518.55
Unallocated liabilities					1,40,043.78
Total liabilities					1,82,562.33

Notes to Financial Statements for the year ended 31 March 2024

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B. Information about reportable segments (contd.)

(₹ in lakhs)

	Reportable Segments				Total
	Sugar	Distillery	Co-generation	Others	
Year ended 31 March 2024					
Other segment information					
Capital expenditure					
- Property, Plant and Equipment	7,056.74	451.10	276.88	-	7,784.72
Depreciation	3,326.40	997.29	1,194.20	-	5,517.89
Amortization	10.63	-	-	-	10.63
Non-cash expenses	58.10	-	-	-	58.10

(₹ in lakhs)

	Reportable Segments				Total
	Sugar	Distillery	Co-generation	Others	
Year ended 31 March 2023					
Revenue:					
Segment revenue	2,71,320.70	55,973.43	20,831.59	2,483.91	3,50,609.63
Less: Inter-segment revenue	55,633.23	-	15,174.91	-	70,808.14
Total revenue from operations	2,15,687.47	55,973.43	5,656.68	2,483.91	2,79,801.49
Segment profit before finance costs, tax and unallocable items	12,238.27	11,289.31	(202.59)	51.92	23,376.91
Finance costs					6,930.62
Unallocable expenses (net of unallocable income)					2,086.37
Profit before tax					14,359.92
As at 31 March 2023					
Segment assets	1,69,087.42	31,335.51	34,593.31	58.74	2,35,074.98
Unallocated assets					6,754.17
Total assets					2,41,829.15
Segment liabilities					
Unallocated liabilities	39,985.47	1,140.96	280.05	0.26	41,406.74
Total liabilities					1,11,306.78
					1,52,713.52
Year ended 31 March 2023					
Other segment information					
Capital expenditure					
- Property, Plant and Equipment	13,880.06	895.79	67.71	-	14,843.56
- Intangible assets	-	-	-	-	-
Depreciation	2,966.37	937.38	1,188.72	-	5,092.47
Amortization	19.49	-	-	-	19.49
Non-cash expenses	43.37	-	-	-	43.37

Notes to Financial Statements for the year ended 31 March 2024

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C. Geographical information

The Company primarily operates in India only and the analysis of geographical segments demarcated into its Indian and Overseas Operations are as under:

(₹ in lakhs)

Particulars	Year ended 31 March 2024		Total	Year ended 31 March 2023		Total
	Reportable segments			Reportable segments		
	Indian	Overseas*		Indian	Overseas*	
Revenue:						
Sales (including other operating revenue) to external customers	2,69,351.44	-	2,69,351.44	2,33,186.95	46,614.54	2,79,801.49
Segment assets	2,75,282.99	-	2,75,282.99	2,35,074.98	-	2,35,074.98
Segment liabilities	42,518.55	-	42,518.55	41,406.74	-	41,406.74

The Company has common property, plant and equipment for producing goods for Indian and Overseas markets. Hence, no separate figures for property, plant and equipment / additions to property, plant and equipment / depreciation and amortisation on property, plant and equipment have been furnished.

* including through third parties.

D. Major customer

One customer contributed **10.43%** (31 March 2023: 14.59%) of the total revenue of the Company.

41. Related Party Disclosures

In accordance with the requirements of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", names of the related parties, related party relationships, transactions and outstanding balances, where control exist and with whom transactions have been taken place during the reported periods are:

A. Names of related parties and related party relationship

Related parties with whom transactions have taken place during the year		
Key management personnel	Mrs. Nandini Nopany	- Chairperson / Non-Executive Director
	Mr. Chandra Shekhar Nopany	- Co-Chairperson / Non-Executive Director
	Mr. Anand Ashvin Dalal	- Independent / Non-Executive Director
	Mr. Gaurav Swarup	- Independent / Non-Executive Director
	Mr. Pradip Kumar Bishnoi	- Independent / Non-Executive Director
	Mr. Kalpataru Tripathy	- Independent / Non-Executive Director
	Mrs. Kausalya Madhavan	- Independent / Non-Executive Director
	Mr. Devendra Kumar Sharma	- Whole-Time Director
	Mr. Dilip Patodia	- Chief Financial Officer
	Ms. Vijaya Agarwala	- Company Secretary w.e.f. 9 November 2023
	Mr. Devinder Kumar Jain	- Company Secretary upto 31 August 2023

Notes to Financial Statements for the year ended 31 March 2024

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B. The following transactions were carried out with related parties in the ordinary course of business

a. Dividend paid / Director's sitting fees / commission

(₹ in lakhs)

	Year ended 31 March	Final Dividend on Equity Shares	Director's sitting fees	Director's commission	Amount owed to related parties
Mrs. Nandini Nopany	2024	9.92	1.80	10.00	9.00
	2023	9.92	1.60	10.00	9.00
Mr. Chandra Shekhar Nopany	2024	6.82	2.20	10.00	9.00
	2023	7.18	2.60	10.00	9.00
Mr. Anand Ashvin Dalal	2024	-	4.40	10.00	9.00
	2023	-	4.60	10.00	9.00
Mr. Gaurav Swarup	2024	-	3.80	10.00	9.00
	2023	-	4.00	10.00	9.00
Mr. Pradip Kumar Bishnoi	2024	-	4.60	10.00	9.00
	2023	-	5.00	10.00	9.00
Mr. Kalpataru Tripathy	2024	-	4.00	10.00	9.00
	2023	-	3.60	10.00	9.00
Mrs. Kausalya Madhavan	2024	-	4.80	10.00	9.00
	2023	-	4.20	10.00	9.00

b. Remuneration to key managerial personnel

(i) Short term employee benefits

(₹ in lakhs)

	Year ended 31 March	Transaction * during the year	Amount owed by related parties	Amount owed to related parties
Mr. Devendra Kumar Sharma	2024	186.50	-	8.35
	2023	150.31	-	4.09
Mr. Dilip Patodia	2024	180.17	-	-
	2023	172.30	-	-
Ms. Vijaya Agarwala**	2024	4.78	-	-
	2023	-	-	-
Mr. Devinder Kumar Jain	2024	29.21	-	-
	2023	84.08	-	-

* including perquisites determined under the provisions of Income Tax Act, 1961.

** Paid through other entity.

(ii) Post employment benefits

Short term employee benefits as disclosed in point (i) above does not include the provisions made for gratuity and leave benefits, as these are determined on an actuarial basis for the Company as a whole.

C. Details of loans, investments and guarantee covered under Section 186(4) of the Companies Act, 2013

(i) The Company has neither given any loan nor has advanced any amount either during the year ended 31 March 2024 or year ended 31 March 2023.

(ii) Particulars of investments as required under Section 186(4) of the Companies Act, 2013 have been disclosed in Note 7.

Notes to Financial Statements for the year ended 31 March 2024

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D. Terms and conditions of transactions with related parties

- (i) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- (ii) The amounts outstanding are unsecured and will be settled in cash and cash equivalent. Neither guarantees have been given nor received.
- (iii) For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by the related parties. This assessment is undertaken in each financial year through examining the financial position of the related parties and the market in which the related party operates.
- (iv) The remuneration of directors is determined by the Nomination & Remuneration Committee having regard to the performance of individuals and market trends.

42. Government Grants

The Company is eligible to receive various government grants by way of remission of society commission and interest subvention / grant on certain term loans. Accordingly, the Company has recognised these government grants in the following manner:

(₹ in lakhs)

Sr. No.	Particulars	Treatment in Financial Statements	Year ended 31 March 2024"	Year ended 31 March 2023"
Revenue related Government Grants:				
(i)	Remission of Society Commission on Sugarcane purchased [Note (a) below]	Deducted from Cost of Raw Material Consumed in Note 28	2,397.15	2,022.39
(ii)	Interest Subvention / grant on term loans * [Note (b) below]	Deducted from "Finance costs in Note 31	385.54	684.26
Deferred Government Grants:				
(i)	Interest grant on term loans * [Note (b) below]	Shown as "Deferred income on Government Grant" in Note 23	5.63	181.58

* in respect of term loan under financial assistance scheme (SEFASU 2018 State) [Note 19].

- (a) As per U.P. Sugarcane (Regulation on Supply and Purchase) Act, 1953 and its Rules 1954, society commission is payable on sugarcane purchased at the rate of three percent of Fair and Remunerative Price (F.R.P.) fixed by the Government of India. However, the same was reduced by the Government of Uttar Pradesh for the sugar season 2021-22, 2022-23 and 2023-24 by ₹ 3.20, ₹ 3.65 and ₹ 3.95 per quintal of sugarcane purchased respectively. The above reduction in society commission applicable on sugarcane purchased during the periods has been netted with the Cost of Raw Material Consumed.
- (b) The Company has obtained certain term loans from banks under financial assistance schemes SEFASU 2018 by the State Government of Uttar Pradesh at below market rate of interest and SEFASM 2018 by the Central Government of India at subvention of interest. The difference between the fair value of the loans based on prevailing market interest rates and interest paid on such loans has been recognised in the Statement of Profit and Loss by netting with the related finance cost. Accordingly, in case of SEFASU 2018, deferred income on government grant recognised initially is being derecognised by netting with related finance cost systematically over the tenure of the respective loan under financial assistance scheme. The loan is subsequently measured as per accounting policy applicable to financial liabilities.

Notes to Financial Statements for the year ended 31 March 2024

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43. Financial instruments - fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities:

(₹ in lakhs)

Particulars	Carrying amount				Fair value
	FVTPL	FVOCI	Amortised cost	Total carrying amount	
As at 31 March 2024					
Financial assets measured at fair value					
Investment in equity instruments (Quoted)*	-	7,978.42	-	7,978.42	7,978.42
Investment in Co-operative Farming Societies	-	-	0.01	0.01	0.01
Investment in Government Securities	-	-	4.75	4.75	4.75
Trade receivables	-	-	4,783.96	4,783.96	4,783.96
Cash and cash equivalents	-	-	125.26	125.26	125.26
Other bank balances	-	-	85.18	85.18	85.18
Loans	-	-	43.36	43.36	43.36
Other financial assets	-	-	647.35	647.35	647.35
	-	7,978.42	5,689.87	13,668.29	13,668.29
Financial liabilities measured at fair value					
Borrowings*	-	-	1,31,574.86	1,31,574.86	1,31,759.99
Trade payables	-	-	37,939.13	37,939.13	37,939.13
Other financial liabilities	-	-	2,848.71	2,848.71	2,848.71
	-	-	1,72,362.70	1,72,362.70	1,72,547.83
As at 31 March 2023					
Financial assets measured at fair value					
Investment in equity instruments (Quoted)*	-	4,743.80	-	4,743.80	4,743.80
Investment in Co-operative Farming Societies	-	-	0.01	0.01	0.01
Investment in Government Securities	-	-	3.75	3.75	3.75
Trade receivables	-	-	7,264.72	7,264.72	7,264.72
Cash and cash equivalents	-	-	164.66	164.66	164.66
Other bank balances	-	-	297.53	297.53	297.53
Loans	-	-	52.31	52.31	52.31
Other financial assets	-	-	432.63	432.63	432.63
	-	4,743.80	8,215.61	12,959.41	12,959.41
Financial liabilities measured at fair value					
Borrowings *	-	-	1,06,717.28	1,06,717.28	1,07,012.59
Trade payables	-	-	36,448.03	36,448.03	36,448.03
Other financial liabilities	-	-	3,007.87	3,007.87	3,007.87
	-	-	1,46,173.18	1,46,173.18	1,46,468.49

* Investment in equity instruments (Quoted) and Borrowings are measured at level 1 and level 2 respectively.

Notes to Financial Statements

for the year ended 31 March 2024

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There has been no transfer between level 1 and level 2 during the period.

The management assessed that fair values of trade receivables, cash and cash equivalent, other bank balances, trade payable, loans and other financial assets and liabilities approximate their carrying amounts.

B. Measurement of fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

Valuation technique

Level 1 - Investment in equity instruments (Quoted)

The fair value of the quoted investments are based on market price at the respective reporting date.

Investments in quoted equity instruments, which are classified as FVOCI are based on market price at the respective reporting date.

Level 2 - Borrowings

Discounted cash flows: The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate. The own non-performance risk was assessed to be insignificant.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk management framework

The Company's principal financial liabilities includes borrowings, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents, other bank balances, investments, loans and other financial assets that derive directly from its operations.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's Risk Management Committee monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Notes to Financial Statements for the year ended 31 March 2024

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The sources of risks which the Company is exposed to and their management is given below: (contd.)

Risk	Exposure Arising from	Measurement	Management
Credit risk	Trade receivables	Case to case basis	Credit limit and credit worthiness monitoring, credit based approval process
Liquidity risk	Borrowings and Other liabilities	Rolling cash flow forecasts	Adequate unused credit lines and borrowing facilities
Market risk			
Interest rate risk	Long term borrowings at variable rates	Sensitivity analysis Interest rate movements	Fund management
Equity risk	Investment in equity securities	Sensitivity analysis	Long term investment
Regulatory risk	Commercial traction	Impact of policies	Monitoring of Policies and assessing impact
Commodity price risk	Commercial traction	Cash flow forecasting Sensitivity analysis"	Business diversification Inventory management"

(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and loans. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade receivables, Loans, Claims and Subsidies / Refunds and Other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry also has an influence on credit risk assessment. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers. Outstanding receivables and the credit worthiness of its counter parties are periodically monitored and taken up on case to case basis. There is no material expected credit loss based on the past experience. However, the Company assesses the impairment of trade receivables on case to case basis and has accordingly created loss allowance on trade receivables.

Exposure to credit risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. The Company evaluates the concentration of risk with respect to trade receivables as low, as the Company sugar sales are mostly on cash. Power and Ethanol are sold to Government entities, thereby the credit default risk is significantly mitigated.

The Company's exposure to credit risk for trade receivables, loans, claims and subsidies / refunds and other receivables and by type of counterparty and loss allowances are as follows.

(₹ in lakhs)

Particulars	As at 31 March 2024			As at 31 March 2023		
	Amount	Loss allowance	Net Amount	Amount	Loss allowance	Net Amount
Trade Receivables						
Government concerns (including government undertakings)	4,772.01	-	4,772.01	7,237.71	-	7,237.71

Notes to Financial Statements for the year ended 31 March 2024

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(₹ in lakhs)

Particulars	As at 31 March 2024			As at 31 March 2023		
	Amount	Loss allowance	Net Amount	Amount	Loss allowance	Net Amount
Others	11.95	-	11.95	27.01	-	27.01
	4,783.96	-	4,783.96	7,264.72	-	7,264.72
Loans						
Government concerns (including government undertakings)	-	-	-	-	-	-
Others	43.36	-	43.36	52.31	-	52.31
	43.36	-	43.36	52.31	-	52.31
Claims and Subsidies / Refunds and Other Receivables						
Government concerns (including government undertakings)	228.56	-	228.56	61.49	-	61.49
Others	171.37	-	171.37	168.48	-	168.48
	399.93	-	399.93	229.97	-	229.97

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain.

The Company's management also pursue all legal option for recovery of dues, wherever necessary based on its internal assessment.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

As disclosed in Note 19, the Company has secured bank loans that contains covenant. Any future breach of covenant may require the Company to repay the loan earlier than indicated in the table mentioned in risk management framework above. The covenant is monitored on a regular basis by the treasury department and regularly reported to management to ensure compliance with the agreement.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Exposure to liquidity risks

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

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(₹ in lakhs)

	Carrying amount	Total	Less than 1 years	1 to 2 years	2 to 5 years	More than 5 years
As at 31 March 2024						
Secured term loan from banks and others*	37,241.58	44,143.52	14,291.45	11,100.09	18,751.98	-
Cash credit including WCDL	94,333.28	94,333.28	94,333.28	-	-	-
Lease liabilities*	157.84	185.95	62.24	59.15	64.56	-
Trade payables	37,939.13	37,939.13	37,939.13	-	-	-
Other financial liabilities	2,848.71	2,848.71	2,848.71	-	-	-
	1,72,520.54	1,79,450.59	1,49,474.81	11,159.24	18,816.54	-
As at 31 March 2023						
Secured term loan from banks and others*	43,687.19	51,673.61	16,077.32	12,725.85	22,006.29	864.15
Cash credit including WCDL	63,030.09	63,030.09	63,030.09	-	-	-
Lease liabilities*	87.90	100.00	35.00	35.00	30.00	-
Trade payables	36,448.03	36,448.03	36,448.03	-	-	-
Other financial liabilities	3,007.87	3,007.87	3,007.87	-	-	-
	1,46,261.08	1,54,259.60	1,18,598.31	12,760.85	22,036.29	864.15

* including estimated interest.

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, regulatory changes, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

Foreign currency risks

All transactions of the Company are in Indian currency, consequently Company is not exposed to foreign currency risk. The Company has no outstanding foreign currency exposure or related derivative contract.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long term and short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Notes to Financial Statements for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

Exposure to interest rate risks

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in lakhs)

Particulars	As at	As at
	31 March 2024	31 March 2023
Fixed rate instruments		
Financial assets	208.74	386.39
Financial liabilities	1,279.94	6,246.28
Variable rate instruments		
Financial assets	-	-
Financial liabilities	1,30,452.76	1,00,558.90

Cash flow sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

A reasonably possible change of 50 basis points in interest rate at the reporting dates would have increased or decreased equity and profit or loss by the amounts shown below:

(₹ in lakhs)

Particulars	Profit or loss before tax		Equity, net of tax	
	Increase	Decrease	Increase	Decrease
31 March 2024				
Variable rate instruments	(652.26)	652.26	(424.33)	424.33
31 March 2023				
Variable rate instruments	(502.79)	502.79	(327.10)	327.10

Equity risk

The Company's quoted equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The senior management reviews and approves all equity investment decisions.

Sensitivity analysis

Investment in equity instruments of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The table below summaries the impact of increase / decrease of the quoted price of equity instruments on the Company's equity and profit for the year. The analysis is based on the assumption

Notes to Financial Statements for the year ended 31 March 2024

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that the quoted price of equity instruments had increased / decreased by 10% with all other variables held constant:

(₹ in lakhs)

Particulars	Profit or loss before tax		Equity, net of tax	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Increase in quoted price of equity instruments by 10%	797.84	474.38	704.91	419.12
Decrease in quoted price of equity instruments by 10%	(797.84)	(474.38)	(704.91)	(419.12)

Regulatory and Commodity price risk

Sugar industry, being cyclical in nature, is regulated by both Central Government as well as State Government policies. The Company is exposed to the risk of price fluctuations of its raw material (Sugarcane) as well as its finished goods (Sugar). To counter the raw material risk, the Company worked with development of various cane varieties with the objective to moderate the raw material cost and increase product functionality. The risk towards finished goods (Sugar) has been moderated through the various schemes of the Central Government including but not limited to introduction of Minimum Support Price (MSP), creation of buffer stock and export of excess inventory. The Company has further mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilising its by-products.

44. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company's objective when managing capital are to:

- to maximise shareholders value and provide benefits to other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is disclosed in Note 46.

45. The Company has used 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, except that audit trail feature is not enabled for direct changes to data when using administrator access rights in SAP application and also not enabled at the database level for the Sugarcane Purchase Software. Further no instance of audit trail feature being tampered with was noted in respect of software.

46. Ratio Analysis and its elements

Ratio	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	Change (%)
Current Ratio	Current Assets	Current Liabilities	1.05	1.00	5.27%
Debt-Equity Ratio	Total Debts (Borrowings)	Shareholder's Equity	1.28	1.20	6.85%

Notes to Financial Statements for the year ended 31 March 2024

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46. Ratio Analysis and its elements (contd.)

Ratio	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	Change (%)
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses / (income) + Interest	Debt service = Interest & Lease Payments + Principal Repayments	2.00	1.46	37.22% [Explained in Note (a) below]
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.13	0.12	13.29%
Inventory Turnover Ratio	Cost of goods sold = Cost of raw material consumed + purchases of stock in trade + change in inventories of finished goods, work-in-progress and stock-in-trade	Average Inventories of finished goods, work-in-progress and stock-in-trade	1.65	2.13	(22.19%)
Trade Receivable Turnover Ratio	Total Sales	Average Trade Receivable	44.71	35.34	26.53% [Explained in Note (b) below]
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payable	6.41	6.19	3.42%
Net Capital Turnover Ratio	Net Sales = Total Sales - Sales Return	Working Capital = Current Assets - Current Liabilities	35.27	-	100.00% being negative ratio]
Net Profit Ratio	Net Profits after taxes	Net Sales = Total Sales - Sales Return	0.05	0.04	32.74% [Explained in Note (c) below]
Return on Capital Employed	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debts + Deferred Tax Liability	0.11	0.11	7.83%
Return on Investment	Income from investments (before tax) = Dividend / Other Income + Change in Fair Value (measured FVOCI)	Average Investments	0.54	0.05	948.56% [Explained in Note (d) below]

Notes:

- (a) Change in Debt Service Coverage Ratio is 37.22% as compared to the preceding year due to increase in profit before depreciation, interest and tax (PBDITA) for the year.
- (b) Change in Trade Receivable Turnover Ratio is 26.53% as compared to the preceding year due to decrease in average trade receivable.

Notes to Financial Statements for the year ended 31 March 2024

CIN: L15122UP2015PLC069635

- (c) Change in Net Profit Ratio is 32.74% as compared to the preceding year due to increase in net profit.
- (d) Change in Return on Investment is 948.56% as compared to the preceding year due to higher fair value gain on investment in equity shares.

47. 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 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 to or on behalf of the Ultimate Beneficiaries. 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 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.

48. Recent accounting pronouncement

There are no standards that are notified and yet to be effective as on the date.

The accompanying notes form an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 301003E/E300005

Devendra Kumar Sharma

Whole-time Director

DIN: 06498196

Chandra Shekhar Nopany

Co-Chairperson

DIN: 00014587

Sanjay Kumar Agarwal

Partner

Membership No.: 060352

Place: Kolkata

Date: 13 May 2024

Vijaya Agarwala

Company Secretary

ACS - 38658

Dilip Patodia

Chief Financial Officer



AVADH
SUGAR & ENERGY LTD

www.birla-sugar.com

AVADH SUGAR & ENERGY LIMITED

CIN L15122UP2015PLC069635

Registered Office: P.O. Hargaon, Dist. Sitapur (U.P.), Pin – 261 121 Email: avadhsugar@birlasugar.org;

Website: www.birla-sugar.com; Phone (05862) 256220; Fax (05862) 256225

NOTICE

Notice is hereby given that the Tenth Annual General Meeting of **AVADH SUGAR & ENERGY LIMITED** will be held on Wednesday, July 31, 2024 at 11.00 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2024 and the Reports of the Directors and Auditors thereon.
2. To declare dividend on the equity shares of the Company, if any.
3. To appoint a Director in place of Mr. Chandra Shekhar Nopany (DIN: 00014587), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Amit Dalal (DIN: 00297603), who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 13, 2024, in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature, be and is hereby appointed as a Director of the Company, liable to retire by rotation, pursuant to the provisions

of Sections 152 and all other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force).

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

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the payment of remuneration of Rs. 1,75,000/- (Rupees One Lakh Seventy Five Thousand Only) (apart from reimbursement of out of pocket expenses and applicable taxes) to Cost Auditor, Mr Somnath Mukherjee, for conducting the audit of the cost records of the Company for the year ending 31st March, 2025, as approved by the Board of Directors on the recommendation of the Audit Committee, be and is hereby ratified."

By Order of the Board

Vijaya Agarwala

Company Secretary

ACS – 38658

Place : Kolkata

Dated : 13th May, 2024

NOTES:

1. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2023 dated 25th September, 2023 ('MCA Circulars') and SEBI Circular dated May 12, 2020, January 15, 2021, read with the subsequent circulars issued from time to time, the latest one being General Circular No. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars") has allowed the Companies to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) till 30th September, 2024. In compliance with the provisions of the Companies Act, 2013 (the Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), MCA Circulars and SEBI Circulars, the 10th AGM of the Company shall be conducted through VC/OAVM. National Securities Depository Limited (NSDL) will be providing facilities in respect of:

- (a) voting through remote e-voting;
- (b) participation in the AGM through VC/OAVM facility;
- (c) e-voting during the AGM.

The registered office of the Company shall be deemed to be the venue for the AGM.

2. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') setting out material facts concerning the business with respect to Item Nos. 4 and 5 forms part of this Notice. As per the provisions of Clause 3.A.II. of the General Circular No.20/2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs, the matters of Special Business as appearing at Item No. 4 & 5 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forms part of this Notice.
3. Additional information, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking appointment/re-appointment at this AGM is furnished as Annexure to this Notice.
4. In terms of the MCA Circulars and SEBI Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the requirement of sending Proxy Forms to holders of securities as per provisions of Section 105 of the Act read with Regulation 44(4)

of the SEBI Listing Regulations, has been dispensed with. Therefore, the facility to appoint Proxy by the members will not be available and consequently, the Proxy Form and Attendance Slip are not annexed to this notice convening the 10th AGM of the Company (the "Notice").

5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in
6. The Share Transfer Books and Register of Members of the Company will remain closed from Thursday, July 25, 2024 to Wednesday, July 31, 2024 (both days inclusive) for the purpose of the AGM. Dividend of Rs. 10/- per equity share of Rs. 10/- each (100%), as recommended by the Board, if declared at the AGM, will be paid, subject to deduction of tax at source, as applicable:
 - a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on July 24, 2024.
 - b) To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on July 24, 2024.
7. a) Link Intime India Private Limited ("RTA") having its office at 502 & 503, 5th Floor, Vaishno Chamber, 6, Brabourne Road, Kolkata- 700 001, is the Registrar and Share Transfer Agent ("RTA") of the Company.
 - b) **'SWAYAM' - Investor Self-Service Portal** During the year under review, the RTA of the Company has launched 'SWAYAM', Investor Self-Service Portal, designed exclusively for the Members serviced by the RTA of the Company.

'SWAYAM' is a secure, user-friendly platform that empowers Members to effortlessly access information through a dashboard and avail various services in digital mode. Following are the key features and benefits of 'SWAYAM' Portal:

- Updated status on electronic holdings across various companies serviced by the RTA and its subsidiaries.
- Tracking of corporate actions.
- Generate and track service requests / complaints raised on this portal.
- Members holding shares in physical form can register on the said Portal only after updating their KYC details in their folio.

The investors can visit and access the 'SWAYAM' Portal at <https://swayam.linkintime.co.in/#>

- c) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 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.

Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited ("RTA") for assistance in this regard.

8. Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
9. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/ mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, in prescribed Form No. ISR-1 and other forms, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
10. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for 7 consecutive

years are also liable to be transferred to the Demat account of the IEPF Authority.

In view of this, Members/ Claimants are requested to claim their unpaid/unclaimed dividends. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may write to the Company/ RTA for advising the procedure for Claiming the shares / dividend from IEPF Authorities. On the shareholder/ Claimant compiling with the procedure advised and submitting the required documents, the Company shall issue Entitlement Letter. The Members can submit the Entitlement Letter alongwith Form IEPF 5 and other required documents as mentioned at www.iepf.gov.in and claim their shares from IEPF Authority.

For details, please refer to the corporate governance report which is a part of this Annual Report and the investor page on the Company's website <https://www.birla-sugar.com/Avadh-Shareholders-Info/Avadh-Annual-Reports>

11. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for 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 said forms can be downloaded from the Company's website at <https://www.birla-sugar.com/Downloads-Avadh>. Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at kolkata@linkintime.co.in in case the shares are held in physical form, quoting their folio no(s).

14. Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 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 the weblink at <https://www.birla-sugar.com/Downloads-Avadh> and on the website of the Company's RTA at <https://www.linkintime.co.in/>. It may be noted that any service request can be processed only after the folio is KYC compliant.
15. 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 04, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_ IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website <https://www.birla-sugar.com/Downloads-Avadh>.
16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
17. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before July 24, 2024 through email on avahdsugar@birlasugar.org. The same will be replied by the Company suitably.
18. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.birla-sugar.com and the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the website of National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com.
19. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
20. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to kolkata@linkintime.co.in or avahdsugar@birlasugar.org by July 24, 2024. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to kolkata@linkintime.co.in or avahdsugar@birlasugar.org. The aforesaid declarations and documents need to be submitted by the shareholders by July 24, 2024.
21. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, shall be available for electronic inspection by the members during the AGM. All documents referred to in the Notice shall also be available for electronic inspection. Members seeking to inspect such documents can send an email to avahdsugar@birlasugar.org.
22. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the

members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

23. 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 for 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 first come first served basis.
24. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD1/P/ CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/MIRSDRTAMB/P/ CIR/2021/655 and SEBI/HO/MIRSD/MIRSDRTAMB/P/ CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated the listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form.

The investor service requests forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and the said SEBI circular are available on our website www.birla-sugar.com. In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest.

The Company has completed the process of sending letters to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs. Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar.

In respect of shareholders who hold shares in the dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their respective Depository Participants.

25. Instructions for e-voting and joining the AGM are as follows:

A. Voting through electronic means

- i. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of July 24, 2024 may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM.

Any shareholder(s) holding shares in physical form or non-individual shareholders who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. July 24, 2024, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in However, if a person is already registered with NSDL for remote e-Voting then the Members can use their existing User ID and password for casting the vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" or "Physical User

Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 -2499 7000.

In case of Individual Shareholder who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares in demat mode as on the cut-off date may follow the steps mentioned under 'Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.'

- ii. **The remote e-voting period begins on Saturday, July 27, 2024 at 09:00 A.M. and ends on Tuesday, July 30, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. July 24, 2024 may cast their vote**

electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 24, 2024.

- iii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- v. The details of the process and manner for remote e-Voting are explained herein below:

Step 1: Access to NSDL e-Voting system





Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system

Details on Step 1 are mentioned below:

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	<ol style="list-style-type: none"> Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	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. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> 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, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

- a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
- b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to goenkamohan@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 avadhsugar@birlasugar.org.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to avadhsugar@birlasugar.org. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for

e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who may like to ask questions during the AGM with regard to the financial statements or any other matter to be placed at the AGM, may register themselves as a Speaker Shareholder in advance by sending a request from their registered email address mentioning their name, DP ID and Client ID number / folio number, Permanent Account Number ("PAN") and mobile number along with the questions they wish to ask to reach the Company's e-mail address at avadhsugar@birlasugar.org latest by 05.00 p.m. (IST) on July 24, 2024. Such questions by the Members shall be taken up during the AGM and suitably replied to by the Company. The Company will decide, at its due discretion, as to how it will answer the questions. It can either club similar questions or summarize questions in the interest of the other Shareholders.

The Company reserves the right to restrict the number of questions and number of Speakers, depending upon the availability of time for smooth conduct of the AGM.

6. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
7. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

8. Declaration of voting results

- i. The Board of Directors of the Company has appointed Mr. Mohan Ram Goenka, Partner, MR & Associates, Company Secretaries in whole time practice (Membership No. FCS 4515 and Certificate of Practice No. 2551) as the Scrutinizer to scrutinize the remote e-Voting process as well as e-Voting during the AGM in a fair and transparent manner.
- ii. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to the AGM) and make, not later than two working days from the conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- iii. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company [www. birla-sugar.com](http://www.birla-sugar.com) and on the website of NSDL www.evoting. nsdl.com immediately. The Company shall simultaneously communicate the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

By Order of the Board

Place : Kolkata
Dated : 13th May, 2024

Vijaya Agarwala
Company Secretary
ACS – 38658

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No 4.

Based on the recommendation of the Nomination and Remuneration Committee, Mr. Amit Dalal (DIN: 00297603) has been appointed as an Additional Director by the Board of Directors with effect from May 13, 2024 in accordance with the provisions of Section 161 of the Companies Act, 2013 ('Act') and the Articles of Association of the Company.

Pursuant to the above, Mr. Amit Dalal holds office up to the date of the ensuing Annual General Meeting. In this regard, the Company has received a notice in writing from a Member of the Company proposing his candidature for appointment as a Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Act.

Mr. Amit Dalal is a Commerce Graduate and has obtained his MBA from the University of Massachusetts, USA. He is an Executive Director of Tata Investment Corporation Limited since 2010 and is a Director on the Board of various companies. He is a member of the Investment Committee of Cricket Club of India, Member of the Finance sub-committee at Willingdon Sports Club of India, Chairman of the Investment sub-committee at Willingdon Sports Club of India. Mr Dalal is also associated with Charitable Institutions as Trustee on the Board of Tavascor Charitable Trust, Member Governing Council PRIDE INDIA, Trustee on Motigauri Charitable Trust and Member Rotary Club of Mumbai, Queens Necklace.

The Board feels that the presence of Mr. Amit Dalal on the Board would be of immense benefit to the Company and therefore recommends Resolution No. 4 for approval of the Members of the Company as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or

otherwise, in the resolutions set forth in Item No. 4 of the Notice except to the extent of their shareholding in the Company.

Item No 5.

The Board of Directors have on the recommendation of the Audit Committee, approved the appointment and proposed the remuneration of Mr Somnath Mukherjee, Kolkata, as Cost Auditor for conducting the audit of the cost records of Sugar, Industrial Alcohol and Power units of the Company for the financial year 2024-25, at a remuneration of Rs. 1,75,000/- (Rupees One Lakh Seventy Five Thousand Only)

The Company has received a Certificate regarding his eligibility for appointment as Cost Auditor. A copy of the certificate would be available for inspection by the members at the Registered Office of the Company during normal business hours (11.00 am to 1.00 pm) on all working days, excluding Saturday up to the date of the Annual General Meeting.

In accordance with the provisions of Section 148 of Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor needs to be ratified by the Shareholders of the Company. Hence, this Resolution is put for the consideration of the Shareholders.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set forth in Item No. 5 of the Notice.

The Board of Directors recommends the resolution set out at Item No. 5 of the Notice for approval of members, as an Ordinary Resolution.

Particulars of Directors seeking appointment/re-appointment at the Annual General Meeting

(In pursuance of Section 196 (4) of the Companies Act, 2013, Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2)

Name	Mr Chandra Shekhar Nopany	Mr Amit Dalal																
Date of birth	19.09.1965	31.1.1963																
Brief profile covering experience	Mr. Chandra Shekhar Nopany is a Member of the Institute of Chartered Accountants of India and Masters in Science of Industrial Administration from Carnegie Mellon University, Pittsburgh, USA. 1989. He is an eminent industrialist having vast experience in diverse fields like sugar, tea, shipping, textiles, fertilizers and chemicals, etc. He is the past President of Indian Chambers of Commerce and the present member of the Executive Committee of FICCI.	Mr. Amit Dalal is a Stock Broker with a vast experience in financing and other related businesses.																
Date of appointment	29.07.2016	13.05.2024																
Terms and Conditions of Re-appointment	Mr Chandra Shekhar Nopany shall be liable to retire by rotation and he shall be entitled to receive sitting fee for attending the meetings of the Board of Directors and Committees thereof and the payment by way of commission within the limits approved by the members.	Mr. Amit Dalal is proposed to be appointed as a Non-Executive Director of the Company, liable to retire by rotation.																
Relationship with other Directors / Key Managerial Personnel	Mr. Chandra Shekhar Nopany is the son of Mrs Nandini Nopany	Mr Amit Dalal is not related to any other Director.																
Remuneration last drawn FY (2023-24)	₹11.80 lakhs (for remuneration details, please refer the Corporate Governance Report)	Not Applicable																
Shareholding	71,844 Equity Shares	Nil																
No of meetings of the Board attended during the financial year (2023-24)	Six	Not Applicable																
Other Directorships	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name of Company(ies)</th> <th style="text-align: left;">Committee Memberships, if any with position</th> </tr> </thead> <tbody> <tr> <td>Magadh Sugar & Energy Limited</td> <td>Corporate Social Responsibility Committee - Chairperson</td> </tr> <tr> <td>SIL Investments Limited</td> <td>Stakeholders' Relationship Committee, Chairperson</td> </tr> <tr> <td>Yashovardhan Investment & Trading Company Limited</td> <td>-</td> </tr> </tbody> </table>	Name of Company(ies)	Committee Memberships, if any with position	Magadh Sugar & Energy Limited	Corporate Social Responsibility Committee - Chairperson	SIL Investments Limited	Stakeholders' Relationship Committee, Chairperson	Yashovardhan Investment & Trading Company Limited	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name of Company(ies)</th> <th style="text-align: left;">Committee Memberships, if any with position</th> </tr> </thead> <tbody> <tr> <td>TATA Investment Corporation Limited</td> <td>Risk Management Committee, Member Corporate Social Responsibility Committee, Member</td> </tr> <tr> <td>Sutlej Textiles & Industries Ltd.</td> <td>Audit Committee, Member Stakeholders Relationship Committee, Chairperson</td> </tr> <tr> <td>H.L Investment Company Limited</td> <td></td> </tr> </tbody> </table>	Name of Company(ies)	Committee Memberships, if any with position	TATA Investment Corporation Limited	Risk Management Committee, Member Corporate Social Responsibility Committee, Member	Sutlej Textiles & Industries Ltd.	Audit Committee, Member Stakeholders Relationship Committee, Chairperson	H.L Investment Company Limited	
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H.L Investment Company Limited																		

Name	Mr Chandra Shekhar Nopany		Mr Amit Dalal	
	Ronson Traders Limited	Stakeholders' Relationship Committee, Chairperson		
	New India Retailing & Investment Limited	-	Ashru Lata and Co. Pvt. Ltd.	
	Sutlej Textiles and Industries Limited	-	Nexgen Lifin Pvt. Ltd.	
	Chambal Fertilisers and Chemicals Limited	Nomination and Remuneration Committee, Member	Dhirajlal Magan Lal Purushottamdas Pvt. Ltd.	
		Corporate Social Responsibility Committee, Chairperson	Corporate Social Responsibility Committee, Chairperson SimtoInvestment Co. Ltd.	
			Amit Nalin Securities Private Limited	
Listed companies from which the Director has resigned during the last three years	-		<ul style="list-style-type: none"> • Pheonix Mills Limited • Manughaph India Limited 	