

Ref.No: SEC24089

30th August 2024

National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra East
Mumbai – 400 051.
Scrip symbol: RAJSREESUG

BSE Limited
P.J.Towers
Dalal Street
Mumbai – 400 001.
Scrip code: 500354

Sirs,

Sub: Notice of 38th Annual General Meeting (AGM) and Annual Report for the Year Ended 31st March 2024.

We hereby inform you that the 38th AGM of the members of the Company is scheduled to be held on Friday, 27th September 2024, at 4:00 PM through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The deemed venue for the meeting shall be 'The Uffizi,' 338/8 Avanashi Road, Peelamedu, Coimbatore, Tamil Nadu 641004.

As required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), we are enclosing herewith the Notice of the AGM and a copy of the Annual Report for the financial year ended 31st March 2024.

Kindly take the same on record.

Thanking you

For and on behalf of
RAJSHREE SUGARS & CHEMICALS LIMITED

M Ponraj
Company Secretary
ICSI Membership No.A29858

Enc: As above

Rajshree Sugars & Chemicals Limited

The Uffizi, 338/8, Avanashi Road, Peelamedu, Coimbatore – 641 004, TN, India.

T: +91- 422 4226222, 2580981-82 F: +91- 422 2577929 E: rscl@rajshreesugars.com W: www.rajshreesugars.com

CIN: L01542TZ1985PLC001706

- SUGAR
- CO-GENERATION OF POWER
- ALCOHOL
- RESEARCH & DEVELOPMENT
- BIO PRODUCTS

RAJSHREE SUGARS & CHEMICALS LIMITED

Registered Office : 'The Uffizi', 338/8, Avanashi Road, Peelamedu, Coimbatore 641 004.

Tel. : (0422) 4226222, Fax (0422) 2577929, CIN : L01542TZ1985PLC001706

E-Mail : rscl@rajshreesugars.com; Website : www.rajshreesugars.com

NOTICE TO THE MEMBERS

Notice is hereby given that the 38th Annual General Meeting (AGM) of the Members of Rajshree Sugars & Chemicals Limited will be held on Friday the 27th September, 2024 at 4.00 PM at the Registered office of the Company at 'The Uffizi', 338/8, Avanashi Road, Peelamedu, Coimbatore 641 004 (deemed venue) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1) Adoption of the audited financial statements of the Company for the financial year ended 31st March 2024, together with the Board's Report and the Auditors' Report thereon.

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

"RESOLVED that the audited financial statements of the Company for the financial year ended 31st March 2024 including Audited Balance Sheet as on that date, Statement of Profit and Loss, Cash Flow Statement, and Statement of Changes in Equity for the year ended on that date, along with the explanatory notes annexed to / forming part thereof, together with the Board's Report and the Auditors' Report thereon, as circulated to the members and presented to the meeting, be and are hereby considered, approved and adopted."

2) Reappointment of Mr.R.Varadarajan, Director (DIN:00001738) retiring by rotation.

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

"RESOLVED that pursuant to the provisions of Section 152 of the Companies Act, 2013, and other applicable provisions, if any, and in accordance with the Articles of Association of the Company, Mr.R.Varadarajan, Director (DIN:00001738) of the Company, who retires by rotation at this 38th Annual General Meeting and, being eligible and willing to act, is hereby reappointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary, proper or expedient, and to do all such acts, deeds, and things as it may, in its absolute discretion, deem necessary, desirable or proper for the purpose of giving effect to this resolution without any further consent or approval of the members of the Company."

SPECIAL BUSINESS:

3) Reappointment of Mr.K.Ilango (DIN:00124115) as an Independent Director for a second consecutive term of five consecutive years.

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

"RESOLVED that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') and other applicable laws (including any statutory modification(s) or re-enactment thereon for the time being in force) Mr.K.Ilango (DIN:00124115), an Independent Director of the Company, whose first term of five years as an Independent Director ends at the closing hours of 29th September 2024, and who has been recommended for reappointment by the Nomination and Remuneration Committee and the Board of Directors based on the reports of his performance evaluation, be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second consecutive term of five consecutive years from 30th September 2024 to 29th September 2029, without any remuneration."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, and things as may be necessary or desirable for the purpose of giving effect to this resolution."

4) Reappointment of Mr.S.Vasudevan (DIN:01567080) as an Independent Director for a second consecutive term of five consecutive years.

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

"RESOLVED that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') and other applicable laws (including any statutory modification(s) or re-enactment thereon for the time being in force) Mr. S. Vasudevan (DIN:01567080), an Independent Director of the Company, whose first term of five years as an Independent Director ends at the closing hours of 29th September 2024, and who has been recommended for reappointment by the Nomination and Remuneration Committee and the Board of Directors based on the reports of his performance evaluation, be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second consecutive term of five consecutive years from 30th September 2024 to 29th September 2029, without any remuneration."

"RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, and things as may be necessary or desirable for the purpose of giving effect to this resolution."

5) Ratification of remuneration payable to M/s.S.Mahadevan & Co., Cost Accountants (Firm Registration No.000007) for the financial year ending 31st March 2025.

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

"RESOLVED that the Company hereby confirms and ratifies, in accordance with Section 148 and all other relevant provisions of the Companies Act, 2013 and Rules made thereunder, the remuneration of ₹ 2,00,000 approved by the Board of Directors, upon the recommendation of the Audit Committee, for M/s.S.Mahadevan & Co., Cost Accountants (Firm Registration No. 000007), for conducting the audit of the cost records for the products sugar (₹1,00,000), cogeneration of power (₹ 65,000), and industrial alcohol (₹ 35,000) of the Company for the financial year ending 31st March 2025, exclusive of applicable taxes and out-of-pocket expenses."

By Order of the Board

Place : Coimbatore
Date : 22nd May, 2024

M. PONRAJ
Company Secretary

NOTES:

- Pursuant to provisions of section 91 of the Companies Act, 2013 (the Act), the Register of Members of the Company will remain closed from 21st September 2024 to 27th September 2024 (both days inclusive) for the purpose of 38th AGM.**
- Members are requested to intimate the change in bank mandate/address, if any, immediately to the Registrar and Transfer Agent of the Company (RTA), M/s.Link Intime India Private Limited, "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore 641 028 (E-mail : coimbatore@linkintime.co.in). Please note that the erstwhile RTA M/s. S.K.D.C. Consultants Limited, was amalgamated with its holding company M/s.Link Intime India Private Limited with effect from 22nd December 2023.
- 'SWAYAM' is a secure, user-friendly web-based application, developed by our RTA, that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal.

This application can be accessed at <https://swayam.linkintime.co.in>

- Effective Resolution of Service Request-Generate and Track Service Requests/Complaints through SWAYAM.
- Features - A user-friendly Graphical User Interface (GUI).
- Track Corporate Actions like Dividend/Interest/Bonus/split.
- PAN-based investments - Provides access to PAN linked accounts, Company wise holdings and security valuations.
- Effortlessly Raise request for Unpaid Amounts.
- Self-service portal - for securities held in demat mode and physical securities, whose folios are KYC compliant.
- Statements - View entire holdings and status of corporate benefits.
- Two-factor authentication (2FA) at Login - Enhances security for investors.

- d) The statement of material facts pursuant to section 102(1) of the Act, regarding special business is attached herewith. Additionally, the relevant details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, concerning Directors seeking re-appointment at this AGM, are also annexed.
- e) The Company's equity shares are listed in the following stock exchanges at present:
- National Stock Exchange of India Limited, Mumbai (NSE)
 - BSE Limited, Mumbai (BSE)
- f) No dividend is pending for transfer to the Investor Education and Protection Fund (IEPF) except unpaid dividend of ₹ 39,729/- for the financial year 2009-10, which are kept pending transfer due to prohibition as per Court orders.
- g) Members who are holding shares in physical form and have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, notices, circulars etc., from the Company. The e-mail may be registered with the RTA. The members who are holding the shares in demat form are requested to update their email address with their depository participant.

The Annual Report is available for inspection at the Registered Office of the Company during office hours. Shareholders may also visit the website of the Company www.rajshreesugars.com or the website of National Securities Depositories Limited (NSDL) at www.evoting.nsdl.com for downloading the Annual Report and Notice of the AGM.

Members are requested to support this Green Initiative by registering / updating their e-mail addresses for receiving electronic communications.

- h) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and the Register of Contracts and Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the Registered office of the Company during business hours.
- i) Shareholders wishing to transfer physical shares after 1st April 2019 must first dematerialize them, as specified in SEBI Circulars dated 20th April 2018 and 16th July 2018.

Additionally, SEBI Circular dated 25th January 2022 mandates that listed entities issue shares only in dematerialized form for all shareholder requests involving physical shares, including transmissions and transpositions. According to this Circular, the company has established a separate Suspense Escrow Demat Account to credit the shares of shareholders who fail to submit a letter of confirmation to the respective Depository Participants within the stipulated time.

Further, according to SEBI's Master Circular dated 17th May 2023 and amendment Circulars dated 17th November 2023 and 7th May 2024, members holding physical shares without PAN, nomination details, contact information, bank account details, or an updated specimen signature will only receive dividend payments electronically, effective from 1st April 2024. Members are requested to update these details by submitting ISR forms to the Registrar and Share Transfer Agent.

- j) Members are advised that, in accordance with SEBI Circular dated 31st July 2023, the Company is now registered on the SMART ODR (Securities Market Approach for Resolution through Online Dispute Resolution) Portal. This platform is designed to enhance investor grievance resolution by providing access to Online Dispute Resolution institutions for addressing complaints. Members can access the SMART ODR Portal at: <https://smartodr.in/login>. Members may use this online conciliation and/or arbitration facility, as outlined in the circular, to resolve any outstanding disputes with the Company (including the RTA).
- k) For smooth conduct of AGM proceedings, Members who wish to receive information with respect to Company's Annual Report for financial year 2023-24 or have questions with regard to the financial statements and the matters to be placed at the 38th AGM, can send their request by providing their name, demat account number/folio number from their registered e-mail ID to investor@rajshreesugars.com at least ten days before the start of the meeting i.e. by 17th September 2024.
- l) E-AGM: Company has appointed M/s. Link Intime India Private Limited, RTA and NSDL to provide VC/ OAVM facility for the e-AGM and the attendant enablers for conducting of the e-AGM.
- m) Members may note that since the meeting is being held through VC/ OAVM facility, attendance slip and route map for the venue are not furnished.
- n) Members who would like to express their views or ask questions during the AGM may register themselves **as a speaker** by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investor@rajshreesugars.com on or before 5 PM (IST) on 21st September 2024. Those

Members who have registered themselves **as a speaker will only be allowed to express their views/ask questions during the AGM**. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

o) Voting through electronic means:

In compliance with the provisions of Regulation 44 of the LODR read with section 108 of the Act, and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their votes by electronic means for all the resolutions detailed in the Notice of the 38th AGM scheduled to be held on Friday the 27th September 2024 at 4.00 PM through VC/ OAVM and the business may be transacted through e-Voting. The Company has engaged the services of NSDL as the authorized agency to provide the e-Voting facilities as per instructions below.

Details of persons to be contacted for issues relating to e-voting:

Link Intime India Private Limited

Attn: Mr. Jayakumar K, Manager (Systems)

"Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road,
Coimbatore 641 028.

Telephone No. 91-422-4958995, 2539835, 2539836 Fax : +91-422-2539837

Email ID : coimbatore@linkintime.co.in

Website : www.linkintime.co.in

The e-voting module shall be disabled for voting on 26th September 2024 at 5.00 PM. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the company as on 20th September 2024 (cut-off date for determining the eligibility to vote through electronic mode).

Mr. K. Murali Mohan, FCA, Practicing Chartered Accountant has been appointed as the Scrutinizer to ensure that the e-voting process is conducted in a fair and transparent manner. The Scrutinizer shall immediately after the conclusion of the voting at the 38th AGM, first count the votes cast at the meeting, and thereafter unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any within two days of conclusion of the meeting, to the Chairperson of the meeting. The Chairperson or such other Director / person authorized by the Chairperson, shall declare the results of the voting forthwith. The results declared along with the Scrutinizer's Report shall be placed on the Company's website viz., www.rajshreesugars.com, Company's notice Board at the Registered Office of the Company, website of NSDL viz., www.evoting.nsdl.com and communicated to the Stock Exchanges namely NSE & BSE, where the shares of the Company are listed, immediately after the Chairperson or the authorized person declares the result.

E-VOTING INSTRUCTIONS FOR AGM TO BE CONDUCTED THROUGH VC OR OAVM:

1. Pursuant to the Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No.20/2020 dated May 05, 2020, Circular No.02/2021 dated January 13, 2021, Circular No.02/2022 dated May 05, 2022, Circular No. 10/2022 dated December 28, 2022 and Circular No: 09/23 dated September 25, 2023 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through VC or OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. 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 authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available 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 account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of LODR (as amended), and aforesaid Circulars issued by the MCA the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.rajshreesugars.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE and NSE at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Act read with aforesaid circulars of MCA.
8. The IEPF authority, MCA, as a part of the Azadi Ka Amrit Mahotsav, vide its circular dated 7th June 2022 has launched a special window facility for senior citizens of age 75 years & above which facilitates the auto-prioritizing of the claims made by the senior citizens in the MCA 21 system after the receipt of e-verification report by the companies. The claims can be made through form IEPF 5 downloaded from the website of the IEPF authority www.iepf.gov.in.
9. MCA vide its aforesaid circulars have provided relaxation for sending the physical copies of the Annual report to its shareholders. The copy of full annual report is available in the website of the company www.rajshreesugars.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **Tuesday 24th September 2024 at 9.00 AM and ends on Thursday 26th September 2024 at 5 PM**. 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 record date (**cut-off date**) i.e. **20th September 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.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call 022 - 4886 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

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
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.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. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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 (i.e. your sixteen digit demat account number held 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. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="699 959 1195 1255" style="text-align: center;"> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p>   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<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 use 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. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN 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.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	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.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned 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 no.: 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 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?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. 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 :

S.No.	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.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - 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.
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 bk.scrutiniser@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.
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.nsdl.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.nsdl.com or call on no: 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 investor@rajshreesugars.com.
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 investor@rajshreesugars.com. 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 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 link" 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. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@rajshreesugars.com. The same will be replied by the company suitably.

STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")**Item No.2: Reappointment of Mr.R.Varadarajan, Director (DIN:00001738) retiring by rotation**

- a) Background: Mr. R Varadarajan, aged 66, has been serving as a Whole-time Director of the Company since June 5th, 2003, and he continues in that role. Pursuant to Section 203 of the Act, our Company is mandated to appoint a Whole-time Key Managerial Personnel in the capacity of a Whole-time Director, given the absence of a Managing Director, Chief Executive Officer, or Manager. According to Section 2(n) of The Factories Act, 1948, along with its proviso, only a Director can hold the position of "Occupier" in a factory. Since 2003, Mr. Varadarajan has fulfilled the role of Occupier for the factory units.

As per Section 152 of the Act, not less than two-thirds of the total Directors, excluding Independent Directors, must be liable for rotation and appointed by the company in a general meeting. At the first Annual General Meeting (AGM) and every subsequent one, one-third of the Directors liable to retire by rotation, or the nearest number if not a multiple of three, shall retire.

Given Company's composition of 6 Directors, including 4 Independent Directors (ID) not liable to retire and 2 non-ID liable to retire, Mr. Varadarajan is a non-ID Director and the longest-serving, he is scheduled to retire at this AGM. Mr. Varadarajan, being both eligible and willing, has offered himself for reappointment.

- b) The Nomination and Remuneration Committee (NRC), along with the Board of Directors, in their meetings held on 22nd May 2024, recommended the reappointment of Mr. Varadarajan as a Director of our Company, liable to retire by rotation.

With a Masters' Degree in Business Management and decades of experience since our company's inception in 1985, Mr. Varadarajan has been integral to our success.

He has not only led our strategic planning and project management efforts but also played a key role in diversifying our operations, making us the first ISO 9001:2000 certified integrated sugar complex in India. His visionary leadership and commitment to excellence have been instrumental in our growth.

Moreover, his previous role as Head of Faculty at PSG College of Arts & Science, Coimbatore, where he designed a pioneering management program, underscores his leadership acumen and strategic foresight. We believe Mr. Varadarajan's reappointment is essential for our continued success.

He received an 'excellent' rating in the performance evaluation conducted by the NRC and the Board during their February 2024 meeting. The evaluation, which spanned from average to excellent, assessed various parameters including awareness of the general and business environment, sector-specific knowledge, active participation in discussions, understanding of directorial roles and responsibilities, and contribution to strategic planning for the company's future growth.

- c) The core skills/expertise/competencies identified by the Board of Directors, as required under LODR, is available in the Corporate Governance Report (CGR) of the Annual Report. Kindly refer to the CGR for details regarding the essential skills and competencies of our Board members, including Mr. Varadarajan.
- d) He presently holds directorship positions in Sri Krishna Potable Products Private Limited, COCCA Art & Design Institute Private Limited, and Lakshmi Automatic Loom Works Limited (Listed). Additionally, he is a member of the Audit Committee and NRC at Lakshmi Automatic Loom Works Limited. In the past three years, he has not resigned from any listed entities.

He serves as Chairman of the Share Transfer Committee and holds membership on other committees within the Company, namely the Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility (CSR) Committee, and Securities Allotment Committee.

- e) He does not hold any shares in the Company, either directly or as a beneficial owner. Throughout the financial year 2023-24, he attended all five Board Meetings of the Company. Additionally, he has no relationships with other Directors and Key Managerial Personnel of the Company or their relatives.
- f) The details regarding remuneration sought to be paid and the remuneration last drawn by Mr. Varadarajan are not applicable since this is only a reappointment of Director retiring by rotation. Those details have already been furnished during his reappointment as Wholtime Director at the 37th Annual General Meeting held on 30th August 2023.
- g) The Company has obtained from Mr. Varadarajan: (i) consent to act as Director, in Form No. DIR-2 as per Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) an intimation in Form DIR-8 as per the same rules, confirming his non-disqualification under section 164(2) of the Act, and (iii) a declaration confirming his non-disqualification under other grounds mentioned in Section 164 of the Act.
- h) None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution, except Mr. Varadarajan and his relatives.
- i) The aforementioned documents will be available for inspection by shareholders at the Company's registered office during business hours.
- j) The explanatory statements may also be read and treated as disclosure under Regulation 36 of LODR, Section 152(5), 102 of the Act, Clause 1.2.5 of Secretarial Standard on General Meetings and other applicable laws.
- k) In light of the above, the Board recommends the resolution provided in the Notice for approval by the shareholders.

Item No.3 & 4 : Reappointment of Mr.K.Ilango (DIN:00124115) and Mr.S.Vasudevan (DIN:01567080) as Independent Directors for a second consecutive term of five consecutive years.

- a) Background : Mr. K. Ilango, aged 59, and Mr. S. Vasudevan, aged 70, were appointed as Independent Directors of the Company for a five-year term, from 30th September 2019 to 29th September 2024.

In accordance with the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), an Independent Director may hold office for up to five consecutive years on the Company's Board and is eligible for reappointment for another five-year term upon passing of a Special Resolution by the Company and disclosure of such appointment in the Board Report.

- b) The Nomination and Remuneration Committee (NRC), along with the Board of Directors, recommended the reappointment of Mr. Ilango and Mr. Vasudevan as Independent Directors of the Company for a second consecutive term of five consecutive years, from 30th September 2024, to 29th September 2029, during their meetings held on 22nd May 2024.

We propose reappointing Mr. Ilango, a distinguished Bachelor of Engineering graduate from Government College of Technology, as an Independent Director. With vast experience as Managing Director of RSM Autokast Private Limited and leadership roles in industry associations such as CII Coimbatore Zone, Mr. Ilango brings invaluable insights to our board. His extensive national and international engagements, including the Presidency of CODISSIA and roles in Round Table India, demonstrate his adeptness in navigating diverse stakeholder environments.

Furthermore, We recommend the reappointment of Mr. Vasudevan, a seasoned professional with over 40 years of experience, as an Independent Director. Mr. Vasudevan, a qualified Chartered Accountant, brings a wealth of financial expertise to our board. As Managing Director of various companies and through his involvement in industry associations, Mr. Vasudevan has contributed significantly to the growth and success of the organizations he has been associated with. His strategic vision and financial acumen will continue to be valuable assets to our board.

Both directors received an 'excellent' rating in the performance evaluation conducted by NRC and the Board during their February 2024 meeting, covering assessments from average to excellent. Parameters included awareness of the general and business environment, sector-specific knowledge, active participation in discussions, understanding of directorial roles and responsibilities, contribution to strategic planning for the company's future growth, independence from the entity and other directors, absence of conflict of interest, and the ability to exercise independent judgment and voice opinions freely.

We consider that the reappointment of both Mr. Ilango and Mr. Vasudevan will ensure continuity in effective governance and strategic direction, further enhancing the company's performance and stakeholder value.

Their reappointment is subject to shareholders' approval by way of a Special Resolution.

- c) Mr. Ilango holds Directorships and committee memberships in the following companies: RSM Autokast Private Limited (Managing Director), where he is a member of the Corporate Social Responsibility (CSR) Committee; KKR Securities Private Limited; CODISSIA Industrial Park Limited; CODISSIA Industrial Infrastructure Upgradation Services; Pricol Limited (Listed), where he is a member of both the CSR and Risk Management Committees and Chairman of Audit Committee; Tamil Nadu Electricity Consumers' Association; and Pricol Asia Pte Limited, Singapore.

He holds membership in the following committees of the Company: Audit Committee, CSR Committee, Share Transfer Committee, and Compensation Committee.

Mr. Vasudevan holds directorships and committee memberships in the following companies: Lancor Holdings Limited (Listed), where he serves as a member in the CSR Committee, Audit Committee, NRC and Stakeholders' Relationship Committee. Additionally, he holds directorship in Lancor Maintenance & Services Limited and Chinnambedu Industrial and Logistics Parks Private Limited.

He holds membership in the following committees of the Company: NRC as Chairman, Compensation Committee as Chairman, and Audit Committee and Securities Allotment Committee as a member.

- d) The core skills/expertise/competencies identified by the Board of Directors, as required under LODR, is available in the Corporate Governance Report (CGR) of the Annual Report. Kindly refer to the CGR for details regarding the essential skills and competencies of our Board members, including Mr. Ilango and Mr. Vasudevan.
- e) The Company has obtained from the said Directors: (i) consents to act as Directors, in Form No. DIR-2 as per the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimations in Form DIR-8 as per the same rules, confirming their non-disqualification under Section 164(2) of the Act, (iii) declarations confirming their non-disqualification under other grounds mentioned in Section 164 of the Act, and (iv) declarations confirming their compliance with the independence criteria as prescribed both under Section 149(6) of the Act and Regulation 16 of LODR.
- f) The Board is of the opinion that the mentioned Directors meet the criteria for appointment as Independent Directors as specified in the Act, rules, and LODR. Furthermore, it is confirmed that the proposed Directors are independent of the management and they have fulfilled all conditions specified in the Act and LODR for their re-appointment.

- g) Copies of the draft letters for their reappointments as Independent Directors, outlining the terms and conditions, are available for inspection by members at the Registered Office of the Company during business hours. The terms and conditions will also be posted on the Company's website.
- h) In the past three years, neither of them has resigned from any listed entities. They do not hold any shares in the Company, either directly or as beneficial owners. Throughout the financial year 2023-24, they attended four out of five Board Meetings of the Company. Additionally, they have no relationships with other Directors and Key Managerial Personnel of the Company or their relatives.
- i) Details regarding the remuneration last drawn and the remuneration sought to be paid to Mr. Ilango and Mr. Vasudevan are not applicable as they have received only sitting fees, and the proposed reappointment also does not involve any remuneration other than sitting fees.
- j) None of the Directors or Key Managerial Personnel of the Company, nor their relatives, are, in any way, concerned or interested, financially or otherwise, in the resolution, except for the appointees Mr. Ilango and Mr. Vasudevan and their relatives concerning their reappointments.
- k) The aforementioned documents will be available for inspection by shareholders at the Company's registered office during business hours.
- l) The explanatory statements may also be read and treated as disclosure under Regulation 36 of LODR, Section 152(5), 102 of the Act, Clause 1.2.5 of Secretarial Standard on General Meetings and other applicable laws.
- m) In light of the above, the Board recommends the resolutions provided in the Notice for approval by the shareholders.

Item No.5: Ratification of remuneration payable to M/s.S.Mahadevan & Co., Cost Accountants (Firm Registration No.000007) for the financial year ending 31st March 2025.

The Board, following the recommendation of the Audit Committee, has sanctioned the appointment and remuneration of M/s S. Mahadevan & Co., Cost Accountants, to conduct the audit of the Company's cost records for the financial year ending 31st March 2025. The audit will encompass products such as sugar, cogeneration of power, and industrial alcohol, with a total remuneration of ₹ 2,00,000, broken down as follows: ₹1,00,000 for sugar, ₹ 65,000 for cogeneration of power, and ₹35,000 for industrial alcohol. These amounts are exclusive of applicable taxes and reimbursement of expenses.

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as determined by the Board based on the recommendation of the Audit Committee, has to be ratified by the shareholders of the Company at the following general meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives, are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Resolution provided in the Notice for approval by the shareholders.

By Order of the Board

Place : Coimbatore
Date : 22nd May, 2024

M. PONRAJ
Company Secretary

BOARD OF DIRECTORS

Ms. RAJSHREE PATHY (DIN 00001614)

Chairperson

Mr. S. VASUDEVAN (DIN 01567080)

Independent Director

Mr. S. KRISHNASWAMI (DIN 08530320)

Independent Director

Mr. SHEILENDRA BHANSALI (DIN 00595312)

Independent Director

Mr. K. ILANGO (DIN 00124115)

Independent Director

Mr. R. VARADARAJAN (DIN 00001738)

Wholetime Director

Auditors

M/s. S. Krishnamoorthy & Co.,

Kanapathy Towers, 3rd Floor

1391/A-1, Sathy Road

Ganapathy

Coimbatore 641 006

Chief Financial Officer

Mr. C.S. Sathiyarayanan

Company Secretary

Mr. M. Ponraj

Registrar & Transfer Agent

Link Intime India Private Limited

"Surya" 35, Mayflower Avenue,
Behind Senthil Nagar, Sowripalayam Road,
Coimbatore 641 028.

91-422-4958995, 2539835, 2539836

coimbatore@linkintime.co.in

www.linkintime.co.in

Registered Office

"The Uffizi",

338/8 Avanashi Road

Peelamedu,

Coimbatore 641 004.

0422-4226314 / 0422-4226222

rscl@rajshreesugars.com (General)

secretarial@rajshreesugars.com

investor@rajshreesugars.com

Factory Unit I

Sugar, Cogeneration & Distillery

Varadarajnagar P.O.

Periyakulam Taluk

Theni District

PIN 625 562

Factory Unit II

Sugar & Cogeneration

Mundiyampakkam PO

Vikravandi Taluk

Villupuram District

PIN 605 601

Factory Unit III

Sugar, Cogeneration & Distillery

Semmedu Village

Gingee Taluk,

Villupuram District

PIN 604 153

Bankers

State Bank of India

UCO Bank

Bank of India

ICICI Bank Limited

Federal Bank Limited

CONTENTS	Page No.
Board's Report	3
Auditor's Report	45
Financial Statements	55

RAJSHREE SUGARS & CHEMICALS LIMITED

Registered Office : 'The Uffizi', 338/8, Avanashi Road, Peelamedu, Coimbatore 641 004.

Tel. : (0422) 4226222, Fax (0422) 2577929, CIN : L01542TZ1985PLC001706

E-Mail : rscl@rajshreesugars.com; Website : www.rajshreesugars.com

BOARD'S REPORT

Your Directors have pleasure in presenting the 38th Annual Report on the business and operations of the company and the audited financial statements for the year ended 31st March 2024.

	₹ in lakhs	
	2023-24	2022-23
1) Financial Highlights		
Total Income	77,638.28	77,395.17
Profit before Finance Costs, Depreciation and Exceptional items	6,844.22	5,912.90
Less: Finance Costs	2,372.79	1,418.76
Depreciation	2,365.38	2,420.87
Profit / (Loss) from ordinary activities before Tax	2,106.05	2,073.27
Tax Expenses	730.28	2,970.14
Profit / (loss) after Tax	1,375.77	(896.87)
Other comprehensive income /(loss), net of income tax	(21.66)	(75.60)
Total comprehensive income /(loss) for the period	1,354.11	(972.47)
Basic / Diluted earnings /(loss) per share of ₹10/- each, before / after extraordinary items	4.15	(2.71)

2) Dividend

Considering financial strain, your Directors have not recommended dividend for the year 2023-24. Also no amount has been transferred to reserves.

3) Financial Performance

Your Company earned an income of ₹77,638.28 lakhs in the year 2023-24 as against ₹77,395.17 lakhs during the previous year. The Company has earned a net profit before tax of ₹2,106.05 lakhs compared to the net profit before tax of ₹2,073.27 lakhs earned during the previous year. The net profit after tax has been ₹1,375.77 lakhs compared to the net loss of ₹896.87 lakhs in the previous year.

4) Operational Performance

The operational highlights of our sugar, cogeneration, and distillery divisions for the year 2023-24 are as follows:

a) Sugar Division

Particulars	2023-24	2022-23
Sugarcane crushed (MT)	18,08,669	17,81,221
Recovery %	8.53	8.87
Sugar Produced (MT)	1,54,369	1,58,042
Sugar Sold (MT) - Domestic	1,49,155	1,67,203

Reduced sugar production in 2023-24 compared to 2022-23 despite increased sugarcane crushed attributed to adverse weather conditions in our command area affecting sugar content, impacting recovery rates.

b) Cogeneration Division

In the fiscal year being assessed, the Cogeneration Division produced a total of 2,233 lakh units of power, up from 2,042 lakh units in the preceding year. The company exported 1,414 lakh units during the year, compared to 1,253 lakh units exported in the previous year.

c) Distillery Division

In the year under review, the Distillery Division produced 240 lakh litres of alcohol, marking an increase from the 223 lakh litres produced in the preceding year. The sales totaled 231 lakh litres, up from 220 lakh litres sold in the previous year.

5) Restructuring of Sugar Development Fund (SDF) Loan.

The Company has been in default of loans received from the SDF, Government of India, since the Financial Year 2016 with an Ethanol loan of ₹32.45 crore and Co-generation loan of ₹21.10 crore availed by the Company. On 2nd August 2023, the Company received a letter from SDF stating the closure of the restructuring of the aforementioned loans due to the expiration of the Administrative Approval's validity and a shortfall in the Fixed Assets Coverage Ratio. It may be noted that SDF issued Revised Operational Guidelines for Restructuring of SDF loans under SDF Rule 26 on 28th February 2024 which provide reliefs similar to the operational guidelines dated 3rd January 2022 except for amendment in clause 4(e), wherein, the provision for an "upfront payment of Principal & Interest" has been amended as "One Time Settlement (OTS) Scheme". The Company has proposed to apply for One Time Settlement and is in the process of arranging funding options.

6) Future Outlook

The management believes that no material uncertainty exists about the company's ability to continue as a going concern and accordingly the management has prepared these financial statements on a going concern basis.

Though the rainfall in the command area of our Company is lesser in comparison to the previous year, the recharged ground water is still supportive of the planting and factory operations for next two years. However, emergence of Competitive crops with remunerative prices would pose a threat to Sugarcane Cultivation. The company is taking special measures like providing subsidy, extending services viz., arranging service providers for cultivation operations (entrepreneur model), regular seed supply, arranging mechanical harvesters, promoting wider row planting, promoting drip irrigation, implementing trash shredding, trash mulching, organic manure application and research and recommendation for high yielding varieties.

With the production in Maharashtra and north Karnataka lower than estimated numbers, situation looks positive on the domestic prices.

In the sugar season 2022-23 (October to September), India has exported about 6.2 million tons of sugar at a reasonable price. The Government has not allowed export in sugar season 2023-24 due to lower sugar production. However, the stock position as on 30.09.2024 is expected to be higher than the original estimate and hence the Government is looking at allowing export to the extent of 0.7 million tons of the likely surplus.

The ambitious ethanol program of the Central Government continues to be supportive to the sugar industry.

Further, the Government policy on sugar would continue to have a significant bearing on the prospects of the industry in the coming years.

7) Fixed Deposits

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 ('the Act) and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

8) Auditors

Statutory Auditors: M/s.S.Krishnamoorthy & Co., Chartered Accountants, Coimbatore (Firm Registration No. 001496S), will serve as Auditors until the 40th Annual General Meeting (AGM) for the financial year ending 31st March 2026.

Cost Auditors: As per Section 148 of the Act and the Companies (Cost Records and Audits) Rules, 2014, the company's products Sugar, Industrial Alcohol, and Cogeneration of Power, are subject to mandatory cost audits. The company has maintained these records as prescribed by the Central Government. Upon the Audit Committee's recommendation, the Board of Directors has re-appointed M/s.S.Mahadevan & Co., Cost Accountants, (Firm Registration No. 000007) to conduct the cost audit for the financial year ending 31st March 2025. Their remuneration has been fixed, and the resolution for its ratification under Section 148(3) of the Act, will be presented at the upcoming AGM.

Secretarial Auditor: Upon the Audit Committee's recommendation, the Board of Directors has re-appointed Mr. G. Soundarajan, Practicing Company Secretary, (Membership No. 13993) as the Secretarial Auditor. He will conduct the Secretarial Audit for the financial year ending 31st March 2025, in accordance with Section 204 of the Act and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

9) Conservation of energy, technology absorption, foreign exchange earnings and outgo

Annexed to this Report as Annexure 1.

10) Corporate Governance Report (CGR)

The Company is committed to maintaining the highest standards of corporate governance and adherence to the corporate governance requirements prescribed by SEBI. The Company also follows several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under LODR forms an integral part of this Report as Annexure 2. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is also attached to the report on Corporate Governance.

11) Corporate Social Responsibility (CSR)

The Company has not earned net profit during the Financial Year ended 31st March 2024, computed as per section 198 of the Act, and hence, provisions relating to CSR as specified under Section 135 of the Act will not be applicable to the Company.

The details regarding CSR Committee and Policy are furnished in CGR.

12) Details of Directors or Key Managerial Personnel Appointed / Resigned

Details of re-appointment and cessation of a Director / Key Managerial Personnel during the year are furnished below:

Name	Category / Designation	Appointment / Reappointment / Resignation	Effective from
Ms. Rajshree Pathy	Non-Independent Non-Executive Chairperson who is Promoter	Re-appointment on retirement by rotation at the 37 th Annual General Meeting	30 th August 2023
Mr. R. Varadarajan	A non-promoter Whole-time Director	Re-appointment	5 th June 2023

Reappointment of Independent Directors

Mr. K. Ilango, aged 59, and Mr. S. Vasudevan, aged 70, were initially appointed as Independent Directors of the Company for a five-year term, spanning from 30th September 2019 to 29th September 2024.

In compliance with the Act, and LODR an Independent Director is permitted to serve for up to five consecutive years on the Company's Board. Upon completion of this tenure, reappointment is possible for another term of upto five consecutive years, subject to the passing of a Special Resolution by the Company and disclosure of such appointment in the Board Report.

At the meetings held on 22nd May 2024, both the Nomination and Remuneration Committee and the Board of Directors have recommended the reappointment of said Directors as Independent Directors for a second consecutive term of five consecutive years, extending from 30th September 2024 to 29th September 2029. This recommendation is based on their exemplary performance appraisals during their initial term. The requisite resolutions for this reappointment will be presented at the upcoming Annual General Meeting, seeking approval of the members through a special resolution.

The Board of the Company acknowledges the importance of integrity, expertise, and experience in the appointment of independent directors. The proposed appointments of the said Directors were made following a rigorous selection process, which included an assessment of their proficiency. Both Directors had submitted copies of the certificates, issued by Indian Institute of Corporate Affairs, which grant exemption from passing the online proficiency self-assessment test.

The Board is of the opinion that both directors bring valuable insights and diverse perspectives to the Board discussions. Their appointments further enhance the independence and governance standards of the Company, ensuring robust decision-making and effective oversight of company affairs.

13) A Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Director

The NRC, under the guidance of its Chairman, drafted and distributed para-materialized feedback forms for assessing the performance of the Board, Independent Directors, various Committees, and the Chairperson.

The parameters for evaluating the Board encompass its advisory role on critical Company issues, strategic vision and planning, oversight on compliance management procedures, operations and performance, as well as Corporate Governance and ethics.

For committees, evaluation focuses on their adherence to duties and responsibilities outlined by the Board and laws, member awareness of expectations, independence from the Board, and effectiveness in advising and guiding on referred matters.

Individual Directors' evaluation criteria include awareness of the general and business environment, sector-specific knowledge, active contribution to discussions, understanding of roles and responsibilities, and strategic input for future growth. In addition to the evaluation criteria for individual directors, Independent Directors (IDs) and the Chairperson have supplementary parameters for assessment. For Independent Directors, these include evaluating their independence from the entity and other directors, ensuring no conflict of interest, and assessing their ability to exercise independent judgment and voice opinions freely. Regarding the Chairperson, additional criteria involve evaluating their breadth of vision and strategic leadership for organizational growth, their role in facilitating focused discussions within the Board, their ability to build consensus among members, and their commitment to prioritizing shareholder interests.

The grading scale established by the NRC ranges from 1, representing Average, to 3, denoting Excellent, with 2 indicating Good.

Online evaluation forms (Google Forms) containing evaluation parameters and a grading scale were sent to the E-mail IDs of the Board members. These forms were completed and submitted by the directors. Subsequently, the results were collated, and the Chairperson announced them during the meeting.

14) Number of Board meetings

During the year, 5(Five) Board Meetings were convened and held, the details of which, including attendance of directors, are given in the CGR.

15) Declaration given by Independent Directors

The Independent Directors of the Company have furnished declarations as required under Section 149(6) of the Act & Regulation 16 of LODR.

16) Whistle Blower Policy ('Vigil Mechanism')

The Board has established a Vigil Mechanism, as required under LODR, for directors and employees to report concerns about unethical behaviour, actual or suspected fraud and violation of the company's code of conduct or ethics policy.

This mechanism also provides for adequate safeguard against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee.

The said Policy is available on the website of the Company www.rajshreesugars.com/policies/

17) Particulars of Loans, Guarantees or Investments under Section 186

The Company has not given/ made any loan, guarantee or investment in terms of Section 186 of the Act during the year under review.

18) Anti-Sexual Harassment Policy

The company maintains a policy regarding the prohibition, prevention, and resolution of sexual harassment against women in the workplace, encompassing all relevant aspects outlined in "The Sexual Harassment of Women at Workplace (Prohibition, Prevention, and Redressal) Act, 2013."

For the calendar year ending on 31st December 2023, no complaints were lodged under the Act. The company has duly adhered to the requirements concerning the formation of an Internal Complaints Committee as stipulated by the aforementioned Act.

19) Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no material contracts / arrangements / transactions with related parties during the year.

20) Material Changes & Commitments between end of financial year and this Report

There were no material changes that took place between the end of the financial year and this report.

21) Managerial Remuneration

The details of disclosures relating to Managerial Remuneration as required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed (Annexure 3).

22) Remuneration Policy

The Company's NRC, in alignment with the Board of Directors, has developed a comprehensive policy concerning human resources, emphasizing equitable remuneration for Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP), and all employees. This policy, crafted in accordance with the Act, and LODR Regulations, 2015, aims to harmonize human resource aspirations with the Company's objectives. It underscores the importance of reasonable and motivating remuneration to attract and retain high-quality directors essential for the Company's success. Moreover, it emphasizes the clarity of the remuneration-performance relationship and the necessity of balancing fixed and incentive pay to align with short and long-term performance goals.

The document provides clear definitions of key terms and specifies its applicability to Directors, KMP and SMP, ensuring compliance with existing laws and regulations. The Committee's role encompasses various tasks, including identifying qualified director candidates, formulating evaluation criteria, recommending remuneration policies, and ensuring compliance. It also outlines procedures for appointment, removal, and retirement of personnel, along with guidelines for remuneration structures for different roles, subject to shareholders approval wherever necessary. Additionally, the policy mandates annual performance evaluations for Directors, KMP and SMP, emphasizing continual improvement and accountability. Finally, the Committee is authorized to issue implementation guidelines and delegate powers to ensure effective execution of the policy's provisions.

The said policy is available in the Company's website www.rajshreesugars.com/policies.

23) Industrial Relations

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

24) Internal control systems and their adequacy

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

25) Rajshree Sugars & Chemicals Limited (RSCL) Employees Stock Option Plan 2012

A detailed report as required under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021 on the "RSCL Employees Stock Option Plan 2012" forms part of this report, as Annexure 4.

26) Secretarial Audit

The Board has appointed Mr.G.Soundarrajan (Membership No.A13993; Peer Review Certificate No: 2101/2022; CP No.4993), a Company Secretary in Practice to undertake the Secretarial Audit of the Company as required under Section 204 of the Act. The Secretarial Audit report is annexed herewith as Annexure 5. The report does not contain any qualification, reservation or adverse remarks.

27) Annual Return

In terms of Section 92(3) of the Act, read with Companies (Management and Administration) Rules, 2014, the Annual Return of the Company in Form MGT-7 filed for the Financial year ended 31st March 2023 has been placed on the website of the Company i.e. <https://www.rajshreesugars.com/annual-return-mgt-7/>.

28) Transfer of Amounts to Investor Education and Protection Fund (IEPF)

No dividend is pending to be transferred to IEPF pursuant to the provisions of Section 124(5) of the Act, except unpaid dividend of ₹39,729/- for the financial year 2009-10, which are kept pending transfer due to prohibition as per court orders.

Pursuant to the provisions of IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 28th August 2017 on the website of the Company (www.rajshreesugars.com), and also on the website of Ministry of Corporate Affairs.

The company has also transferred the equity shares of the shareholders who have not claimed dividend for the 7 years continuously, to the credit of IEPF in Form IEPF-4 on 6th December 2017. The shareholder may claim the said shares and dividend by following the procedures laid down in the website of IEPF Authority, viz. <https://www.iepf.gov.in/IEPF/refund.html>

29) Directors' Responsibility Statement

In terms of clause (c) of sub-section (3) of Section 134 of the Act, the Directors state that:

- i) in the preparation of the annual accounts / financial statements, the applicable accounting standards had been followed along with the proper explanation relating to material departures; if any;
- ii) accounting policies as selected have been applied consistently and the judgments made and estimates were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / loss of the Company for the year under review.
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the annual accounts / financial statements have been prepared on a going concern basis.
- v) internal financial controls have been laid down to be followed by the company and that such internal financial controls are adequate and operating effectively.
- vi) a proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

30) Code of Conduct

Directors, KMP and SMP of the Company have affirmed adherence to the Code of Conduct pertinent to the Directors and employees of the Company and the declaration in this regard made by Wholetime Director, as required under LODR forms part of CGR.

The code is available in the website of the company www.rajshreesugars.com/Code-of-conduct-fair-disclosure

31) Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated Persons of the Company, as per SEBI (Prohibition of Insider Trading) Regulations, 2015.

The code is available in the website of the Company www.rajshreesugars.com/Code-of-conduct-fair-disclosure

32) Risk Management Policy

The Company has formulated a Risk Management Policy as required under LODR. The Company has also formulated a specific policy viz., 'Forex and Interest Rate Risk Management Policy for Currency and Interest Rate Risk Management'.

The Board perceives the risk of recurring lower sugar recovery in the State of Tamil Nadu as compared to minimum recovery for which sugar mills are to pay the Fair and Remunerative Price. Lower capacity utilization is also a concern.

The Tamil Nadu Industry has also the option of producing Ethanol. The Tamil Nadu Government has issued an Ethanol Blending Policy 2023 to attract investments in molasses/grain-based ethanol programme to make the state self-sufficient in meeting the estimated annual requirement of 130 crore litres. However, the State has the limited scope as availability of molasses is limited.

The details about the risks being faced by the Company are furnished in the 'Management Discussion & Analysis Report' (Annexure 6).

33) Significant & material orders passed by regulator or courts or tribunals impacting going concern status and companies operations in future

There have been no significant and material orders passed by any Regulator / Court / Tribunal impacting the going concern status and company's operations in future.

34) Compliance with Secretarial Standards

The company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India and approved as such by the Central Government, as per the provisions of the Act.

35) Details of any applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year.

The company confirms that no such applications have been made, and there are no proceedings pending.

36) Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

The company affirms that no one-time settlement occurred during the year.

37) Acknowledgement

Your Directors thank the Banks and Financial Institutions for their valuable and timely financial assistance and support provided by them to the Company. Your Directors also thank the cane growers, suppliers, Government Institutions and others for the cooperation extended to the Company. The Board also places on record its appreciation of the dedicated services rendered by the employees of the Company.

May **Goddess** Lakshmi shower her blessings for the continued prosperity of the Company.

For and on behalf of the Board

Place : Coimbatore
Date : 22nd May 2024

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

ANNEXURE 1

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2024

A. CONSERVATION OF ENERGY

i) Steps taken or impact on conservation of energy

At Unit-I, Varadarajnagar:

- At power plant, the replacement of 505D Woodward governor with new version of 505D governor for the Power Export automation enhances the efficiency and ensures consistent power export, saving 36,750 units of value ₹1.47 lakhs over 49 days by avoiding excess export. Reduction in excess export against the contracted quantity of power resulted in power saving of 750 units per day, it also mitigates penalties imposed for short supply of power. Total investment for replacing 505D governor costed ₹18 lakhs.
- The replacement of the ABB Digital AVR with an auto synchronization facility has significantly contributed to energy conservation and savings. Saving of 200 units per hour from February 12th to March 2024, totaling 25,200 units, resulted in ₹9.41 lakhs savings at an average power export realization of ₹4.00 per unit. The investment of ₹15.81 lakhs would be recovered within 3 months of operation and give long term enhanced efficiency.
- By modifying the distillery steam line, the live consumption reduced by 3T/Hr, which resulted in additional power generation of 1,87,000 units in 26 days. At an average export realization of ₹4.00/unit, the savings amounts to ₹7.49 lakhs.
- For sugar melting exhaust steam is used in place of 40 lbs steam, which resulted in additional generation and export of power by 100 units per hour. The total cost savings during the operation is ₹8.64 lakhs and investment for the modification is ₹1.30 lakhs.

At Unit-II, Mundiampakkam

- By replacing LED fittings in the curing house area, an annual saving of 8,385 units resulted in a cost saving of ₹0.50 lakh against an investment of ₹0.23 lakh. Similarly, in the mill house, replacing 50% of LED fittings saved 36,720 units per annum, yielding ₹2.12 lakhs in annual savings against an investment of ₹0.56 lakh.

At Unit-III, Semmedu

- Replacing 510 conventional tube light fittings with LED fittings resulted in savings of 144 kWh/day and installation of additional 3x75 KVAR capacitor banks saved 108 kWh/day. The total savings of 252 units per day, which amounts to ₹1,386/day.

ii) The steps taken by the company for utilizing alternate sources of energy:

The Company has fully integrated sugar factories where biomass (bagasse) based co-generation is designed into the system making it an inherent renewable energy based manufacturing process and facility.

iii) The capital investment on energy conservation equipment.

The total capital investment on energy conservation equipment across all units is ₹37.74 lakhs. Individually, it is allocated as follows: ₹33.81 lakhs at Unit-I, ₹0.79 lakh at Unit-II, and ₹3.14 lakhs at Unit-III.

B. TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption;

1. Successfully organized the 53rd Sugarcane R&D workshop of Tamil Nadu and Puducherry in coordination with Sugarcane Breeding Institute, Coimbatore. The Chairperson of the Company, Theni District Collector, Government Officials, Directors and Scientists from Sugarcane Breeding Institute and Tamil Nadu Agricultural University, Officials from various Sugar Industries were participated and deliberated the current situation of Sugar Industries and

discussed the Cane production technologies. The workshop was held on 3rd and 4th November, 2023 at BHB Mahal, Theni. The Company is organizing this kind of workshop for the 3rd time since inception.

2. The new promising variety Co 11015 is being maintained at 18 % at Mundiampakkam and 21% at Semmedu. Nine big mill tests conducted during 2023-24, six at Mundiampakkam and three at Semmedu, recorded 0.07 to 2.73% higher expected recovery with the average mean recovery increase of 1.02%.
3. Since Co 11015 was affected with pokkah boeng disease and mealy bug pest incidence and also sporadic incidence of red rot disease incidence at Mundiampakkam, the area under Co 11015 has been reduced from 28% to 18%. However, efforts are being taken to manage the pest and disease incidence and also taking rejuvenated breeder seed material from Sugarcane breeding institute to maintain the good quality seed cane. Since the disease incidence is not at Unit III, Co 11015 area has been increased to 21%.
4. The new variety viz., VSI 12121 (VSI 08005) has been promoted for large scale planting at Varadaraj Nagar Unit and totally 160 acres has been registered with this variety. Earlier BMTs recorded 0.18 to 0.28% higher expected recovery than the ruling major variety Co 86032. Further evaluation for juice quality and yield at large scale is under progress.
5. Four new clones performed better in Sweet Bloom varietal evaluation trials viz., Co 12009, Co 14027, Co 17003 and Co 18009 were tested in Multi Location Trials. Based on field performance, two varieties viz., Co 14027 and Co 18009 were advanced for large scale planting for its suitability, yield and BMT study purpose. Now the crop is totally in 20 acres of area at Mundiampakkam. Based on the large scale study, decision will be taken for its further promoting in the command area.
6. Continual efforts are being made to identify suitable high yield and high sugar variety for the Company's Cane command area through initiation of Sweet Bloom 2.0 trials in collaboration with ICAR-Sugarcane Breeding Institute, Coimbatore and Adaptive Research Trials through Tamil Nadu Agricultural University, Coimbatore.
7. Out of the 17 new sugarcane clones tested under Sweet Bloom Project at Mundiampakkam, The first plant crop has, been harvested in March 2024 revealing that Co 19002, Co 19009, Co 20010, Co 20011 and Co 21007 are promising. The Second plant trial and first ratoon trial are currently in progress.
8. Obtained new set of 17 clones (AICRP 20000 series) under All India Co-ordinated Research Project on Sugarcane from ICAR Sugarcane Breeding Institute, Coimbatore and taken up initial multiplication at Varadaraj Nagar for further evaluation.
9. Two new clones Co 17001 and C 16338 were obtained from Tamil Nadu Agricultural University under Adaptive Research trial programme. The evaluation trials are in progress for its suitability to Varadaraj Nagar and Mundiampakkam conditions.
10. New pre-emergence herbicide viz., Authority NXT (Sulfentrazone 28% + Clomazone 30%) tested against cypress and cynodon grass weeds were found very effective. The yield increase was 5.40 tonnes / acre with the cost saving of ₹3665/acre. Considering the yield increase and cost economics, Authority NXT weedicide was purchased for all units and being supplied to farmers for large scale adoption.
11. Various post-emergence herbicide were evaluated at Mundiampakkam and Semmedu factory area and found the combined application of Ametryn 80% WG + 2,4-D Amine Salt 58% SL is very effective for controlling Johnson grass weeds and Metribuzine + 2,4-D Sodium salt is effective for controlling creeper weeds. The required chemicals are being supplied to the farmers through the company depot.
12. Nano Urea studies in sugarcane crop was taken up in 2 locations at Mundiampakkam and found that the efficacy was not on par with the regular fertilizer application treatments.
13. Produced and supplied 107355 packets of bio control agents Tetrastichus howardi and covered 26% of total cane area. Also supplied 57315 cc of Trichogramma bio control agent and covered 14% of the total cane for the management of INB pest across all three units and better cost benefit to farmers.
14. Chlorantraniliprole granule study to manage the interborer incidence was found very effective and significantly reduced the INB pest incidence. The yield improvement was to the tune of 4.45 tonnes /acre over control plot. Hence, this was included in our recommendation and initiated the supply to our farmers through our company depot.

15. Periodical monitoring of cane area through regular and mass pest and disease survey is being carried through R&D and Cane team. During 2023-24 year, we recorded pokkah boeng disease, mealy bud, whitefly and white grub pest incidence. Swift management measures were taken in the farmer's field managed further spreading of the pest and disease.
16. Promotion of rejuvenated seed material and application of Thiophanate methyl chemical was adopted to manage the red rot disease incidence in Co 11015 variety at Mundiampakkam and the disease spread was controlled very effectively.
17. Promoted Mechanical harvester in a big way during 2023-24 also. Two new harvesters were purchased at Mundiampakkam and Semmedu. Totally 12 farmer entrepreneur harvesters and 8 outside harvesters are in operation in all three factory command area for cane harvest.
18. Totally harvested 108541 tonnes of cane under mechanical harvesting during 2023-24 Financial Year (FY) and this was 8.4% of total own cane harvest tonnage. This was significantly higher over last FY machine harvest tonnage (49498 Mts & 4.4 % of own cane crushing).
19. Entrepreneur development was focused to reduce the cost of cultivation and improve the adoption level of technologies. Arranged for the purchase of two mechanical cane harvester, 3 drones, 4 trash shredders, 5 mini tractors, 15 power weeders and powers tiller and one shade net service provider were developed.
20. Geared up our team as well as the farmers to plant cane under wider row spacing so as to adopt the mechanization right from planting to till harvest. The wider row coverage was 40 to 75% across all units in the fresh cane planting area.
21. The company is continuing its efforts in promotion of drip irrigation, trash shredding and trash mulching to improve the crop yield and save the crop from drought condition.
22. Presented the status report of all Rajshree Group units on Mechanized cane cultivation with special focus on mechanical harvesting, Current varietal position, performance of new sugarcane varieties and nursery programme in the 53rd R&D Workshop held at Theni on 3rd and 4th November 2023.
23. Mr.C.G.Balaji presented on "Current varietal position and Performance of new sugarcane varieties" at 53rd R&D workshop and got the First prize - "Shri S. Ponnappan and Shri. K. Ravindran memorial Award - 2023 for his presentation. Mr.N.Muthukumaran got the best presenter award for his presentation on Mechanisation.
24. Special presentation on 'Interventions for improving sugarcane yields - Strategies followed at Rajshree Sugars and Way forward' was presented by Dr. S. Jayaram in the 53rd R&D Workshop.

ii) The benefits derived like product improvement, cost reduction, product development or import substitution;

1. Adoption of technologies in the selected 8 villages recorded the yield improvement of 3 to 7 tonnes/acre compared to the highest yield obtained in those villages in the past years covering all units. Based on the success of this model, new 24 villages were selected covering all three units and activities are being implemented for the yield improvement programme in 2023-24. Now the main season harvesting is under progress.
2. Chip bud seedlings of 5.07 lakhs were produced at R&D Centre and supplied to Unit II and Unit III farmers for nursery and bulk planting.
3. 15.20 lakhs of bud chips were supplied to R&D and Entrepreneur shade nets for seedling production at Unit II and Unit III.
4. 144 tonnes of rejuvenated Co 86032, Co 11015 and Co 18009 breeder seed material were obtained for 23-24 FY from Sugarcane Breeding Institute, Coimbatore catering the needs of all our three units for production of quality seed material to meet the nursery and bulk planting so as to facilitate for the higher cane yield to the farmers and higher CCS % to the mill.
5. Technology dissemination through Newspaper - 27 No's (mechanical harvesting, wider row planting, micro nutrient application, Ratoon Management, pocket manuring, Importance of Bio fertilizer, Nursery importance, Pest & Disease management measures etc.) covering all three units.

6. Central & State Government extends subsidy to farmers for Single bud planting, Chip bud seedlings planting under NADP & KAVIADP scheme. Coordinated with farmers and Government officials and achieved 100% fund utilization. Subsidy amount released to farmers is ₹17.50 lakhs covering all three units.
7. Cane Extension team was strengthened to disseminate the technologies among the farmers and to improve the adoption level of technologies.
8. Technical training programme on advanced sugarcane cultivation package and field visits were organized to newly joined cane team. One Day motivational training programme was organized to Cane Team persons to improve their work efficacy.

iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Not Applicable.

iv) **The expenditure incurred on Research and Development :** ₹113.02 lakhs (₹95.62 lakhs)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows (₹ in lakhs).

	2023-24	2022-23
Foreign exchange earned :	Nil	Nil
Foreign exchange outgo :	Nil	Nil

For and on behalf of the Board

Place : Coimbatore
Date : 22nd May 2024

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

ANNEXURE 2

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2024

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Code of Governance

The Company believes that good corporate governance is essential to achieve long term corporate goals and enhance shareholder value. The company is committed to produce sugar and value added by-products of good quality and strive for continuous improvement in all spheres of its activities to create value that can be sustained over a long term for all its shareholders, employees, customers, government and lenders. The Company endeavours to ensure that high standards of ethical conduct are maintained throughout the organization.

2. Board of Directors

- a) The Company's Board of Directors comprises 1 Promoter Non-Executive Director, 1 Non-Promoter Executive Director, and 4 Independent Directors, outlined below:

Name, Category of Directors & DIN	Attendance Particulars		In Board of other Companies		In Committee of other Companies	
	Board Meetings	Last AGM	Membership	Chairmanship	Membership	Chairmanship
Ms.Rajshree Pathy Promoter Non-Executive Director DIN 00001614	5	✓	9	-	-	-
Mr.S.Vasudevan Independent Director DIN 01567080	4	✓	3	-	4	-
Mr.S.Krishnaswami Independent Director DIN 08530320	5	✓	-	-	-	-
Mr.Sheilendra Bhansali Independent Director DIN 00595312	5	✓	2	-	-	-
Mr.K.Ilango Independent Director DIN 00124115	4	✓	7	-	2	1
Mr.R.Varadarajan Non-Promoter Executive Director (DIN 00001738)	5	✓	3	-	2	-

- b) Mr. Varadarajan, Mr. Ilango, and Mr. Vasudevan serve as Independent Directors at Lakshmi Automatic Loom Works Limited, Pricol Limited, and Lancor Holdings Limited, respectively.
- c) During the year, 5 Board meetings were held respectively on 15th May 2023, 7th August 2023, 16th September 2023, 4th November 2023 and 12th February 2024.
- d) There is no relationship between the Directors inter-se.
- e) As of March 31, 2024, the shares held by Non-Executive Directors and their percentage to the total share capital of the company are as follows: Ms. Rajshree Pathy holds 1,13,17,313 shares, representing 34.15%; Mr. Krishnaswami holds 500 shares, constituting 0.00%; Mr. Bhansali, Mr. Ilango, and Mr. Vasudevan do not hold any shares. Additionally, It may be noted that Non-Executive Directors do not hold any convertible securities.

- f) The details of familiarization programmes imparted to Independent Directors are disclosed on the company's website vide web link <https://www.rajshreesugars.com/independent-directors/>
- g) Below is the chart containing core skills/expertise/competencies identified by the Board of Directors as required under Clause 'C' of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), along with the names of Directors who possess such skills/expertise/competence:

Core skills / expertise / competencies	Ms. Rajshree Pathy	Mr. Varadarajan	Mr. Bhansali	Mr. Vasudevan	Mr. Ilango	Mr. Krishna-swami
Skills attributable to the Industry / Sector, in which the Company operates	Yes	Yes		Yes		
Financial Management Skills	Yes	Yes	Yes	Yes	Yes	Yes
Administrative Skills	Yes	Yes	Yes	Yes	Yes	Yes
Leadership Skills	Yes	Yes	Yes	Yes	Yes	Yes
Technical / Professional skills in relation to Company's Business Operations	Yes	Yes		Yes	Yes	
Business Strategy & Sales & Marketing	Yes	Yes	Yes	Yes	Yes	Yes
Corporate Governance	Yes	Yes	Yes	Yes	Yes	Yes
Communication Skills and public relations	Yes	Yes	Yes	Yes	Yes	Yes
Decision making skills	Yes	Yes	Yes	Yes	Yes	Yes
Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Yes	Yes	Yes	Yes	Yes	Yes

Please note that the absence of a mark against a Director does not necessarily imply that the Director lacks the mentioned qualification or skill.

- h) The Board hereby confirms that in the opinion of the Board, all the Independent Directors have fulfilled the conditions specified under LODR and they are totally independent of the management.
- i) During the year under review, no independent director resigned before the expiry of their tenure. Therefore, there are no detailed reasons for resignation to report.

3. Audit Committee

The Audit Committee, formed by the Board of Directors, comprises the following members: Mr. Sheilendra Bhansali, Independent Director, who serves as Chairman; Mr. S. Vasudevan and Mr. K. Ilango, both Independent Directors; and Mr. R. Varadarajan, who holds the position of Non-Promoter Executive Director. Mr. M. Ponraj, Company Secretary is the Secretary of the Audit Committee.

During the year, the committee held four meetings on the following dates: 15th May 2023, 7th August 2023, 4th November 2023, and 12th February 2024. Mr. Bhansali, Mr. Ilango, and Mr. Varadarajan were present at all meetings, while Mr. Vasudevan attended 3 out of the 4 meetings held.

The Audit Committee's terms of reference encompass matters outlined in Section 147 of the Companies Act, 2013 (the Act), and Regulation 18 of LODR. Its responsibilities include overseeing the company's financial reporting process to ensure the accuracy and credibility of financial statements. Furthermore, the committee recommends the appointment, remuneration, and terms of auditors, approves payments for additional audit services, and reviews accounting policies. It also evaluates internal financial controls and risk management systems, as well as the performance of auditors and internal controls. Additionally, the committee reviews quarterly/annual financial statements and Auditors' Reports before submission to the Board, and has authority over approving or modifying related party transactions. Ensuring compliance with SEBI regulations, reviewing loans / utilization exceeding specific thresholds, and incorporating other terms as per LODR provisions are also within its purview.

4. Nomination and Remuneration Committee (NRC)

NRC comprises the following Directors as members: Mr. S. Vasudevan as Chairman, an Independent Director; Mr. Sheilendra Bhansali, also an Independent Director; and Ms. Rajshree Pathy, a Promoter Non-Executive Director. Throughout the year, the NRC held three meetings on the following dates: 12th May 2023, 16th September 2023, and 12th February 2024. All members attended all three meetings.

The terms of reference for the NRC are as follows: to identify qualified individuals for Director and senior management positions, evaluate the performance of each Director, formulate criteria for Director qualifications, attributes, and independence, and recommend remuneration policies for Directors, key managerial personnel, and employees. The committee also develops criteria for evaluating Independent Directors and the Board, devises a policy on Board diversity, and recommends or reviews remuneration for Managing/Whole-time Directors based on performance. Additionally, it recommends all forms of remuneration for senior management and fulfills any other function mandated by the Board or statutory requirements.

The performance evaluation criteria for Independent Directors include awareness of the general and business environment, awareness of sector-specific environment, contribution to meeting discussions, awareness of Director roles, duties, and responsibilities, contribution to strategic thinking for Company growth, independence from the entity and other Directors, and exercising independent judgment and freely voicing opinions. The grading scale remains fixed at 1 for Average, 2 for Good, and 3 for Excellent performance.

5. Stakeholders' Relationship Committee (SRC)

SRC comprises the following members: Mr. Sheilendra Bhansali, an Independent Director, serves as Chairman; Mr. S. Krishnaswami, an Independent Director; and Mr. R. Varadarajan, a Non-Promoter Executive Director. Throughout the year, the Committee held two meetings on 4th November 2023 and 12th February 2024. All members attended all two meetings. Mr. M. Ponraj, the Company Secretary, acts as the Compliance Officer. An exclusive email address (investor@rajshreesugars.com) is provided for addressing shareholders' grievances.

The details of investor complaints during the Financial Year are as follows: Number of shareholders' complaints received: 3; Number of complaints not resolved to the satisfaction of shareholders: Nil; Number of pending complaints at the end of the Financial Year: Nil.

SRC oversees various aspects related to the welfare of the Company's security holders. This includes resolving grievances such as transfer/transmission of shares, non-receipt of annual reports, declared dividends, issuance of new/duplicate certificates, and concerns regarding general meetings. Additionally, the committee reviews measures for shareholders to effectively exercise voting rights, adherence to service standards by the Registrar & Share Transfer Agent, and initiatives aimed at reducing unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices.

6. Risk Management Committee (RMC)

According to LODR, the constitution of RMC applies to the top 1000 companies based on market capitalization at the end of the immediate preceding financial year. Since the company falls within the top 2000, the RMC constitution does not apply to it.

7. Corporate Social Responsibility (CSR) Committee

CSR Committee comprises the following members: Mr. S. Krishnaswami, an Independent Director, serving as Chairman; Mr. K. Ilango, an Independent Director; and Mr. R. Varadarajan, a Non-Promoter Executive Director. During the year, one meeting was held on 4th November 2023, and all members attended.

The broad terms of reference for the CSR Committee are outlined as follows: To formulate and recommend a CSR Policy to the Board, delineating the activities to be undertaken by the Company in accordance with the Act; to review and recommend the expenditure allocated for these activities; and to monitor the company's CSR policy periodically. CSR Policy is available on the website of the Company at <https://www.rajshreesugars.com/policies>.

The Company has not earned net profit during the Financial Year ended 31st March 2024, computed as per section 198 of

the Act, and hence, provisions relating to CSR as specified under Section 135 of the Act will not be applicable to the Company.

8. Share Transfer Committee (STC)

STC comprises the following directors as members: Mr. R. Varadarajan, who serves as Chairman and holds the position of Non-Promoter Executive Director; Mr. Sheilendra Bhansali, Independent Director; Mr. S. Krishnaswami, Independent Director; Mr. K. Ilango, Independent Director; Mr. M. Ponraj, the Company Secretary; and Ms. S. Dhanalakshmi, representing Link Intime India Private Limited, the Registrars and Share Transfer Agents.

Throughout the year, the committee convened 15 meetings on the following dates: 4th May 2023, 26th May 2023, 2nd August 2023, 7th August 2023, 18th August 2023, 22nd September 2023, 10th October 2023, 27th October 2023, 10th November 2023, 24th November 2023, 22nd December 2023, 5th January 2024, 19th January 2024, 20th February 2024, and 4th March 2024.

The broad terms of reference for the STC include overseeing processes related to the transmission, sub-division, consolidation, and other similar actions concerning the shares of the Company.

9. Securities Allotment Committee (SAC)

SAC was established with the objective of allotting securities to the lender banks or their appointed trustees in accordance with the Resolution Plan for restructuring the Company's debt, as outlined in the Framework Restructuring Agreement dated 12th July 2021. No meetings of the Committee were conducted during the review year. SAC is composed of the following directors: Mr. Sheilendra Bhansali, serving as Chairman and an Independent Director; Mr. S. Vasudevan, an Independent Director; and Mr. R. Varadarajan, a Non-Promoter Executive Director.

10. Compensation Committee (CC)

CC comprises the following directors as members: Mr. S. Vasudevan as Chairman, an Independent Director, along with Mr. S. Krishnaswami and Mr. K. Ilango, both Independent Directors, and Ms. Rajshree Pathy, a Promoter Non-Executive Director. It was formed to oversee and administer the Employee Stock Option Plan (ESOP) 2012 of the company. No meetings were required to be held during the year.

11. Senior Management

Upon the NRC's recommendation, the Board has identified the 'Senior Management' in accordance with SEBI Circular No. SEBI/LAD-NRO/GN/2023/117 dated 17th January 2023, effective from the same date.

The identified Senior Management comprises Mr. G. Sathiyamoorthi, President (as Head Operations); Mr. R. Raghuram, Chief Operating Officer; Mr. C. S. Sathiyarayanan, Chief Financial Officer; Mr. M. Ponraj, Company Secretary; Mr. J. Sundarajan, General Manager-Human Resources (as Head Human Resources); and Mr. R. K. Narayan, Senior Vice-President-Marketing (as Head Marketing). Mr. Raghuram was relieved on 6th November 2023.

12. Remuneration of Directors

There are no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis, the Company, except payment of sitting fees for attending the meetings of the Board / Committees.

Criteria of making payments to non-executive Directors: Only sitting fees were paid to the Non-Executive Directors, with Ms. Rajshree Pathy receiving ₹2.00 lakhs, Mr. Sheilendra Bhansali receiving ₹2.80 lakhs, Mr. S. Vasudevan receiving ₹ 2.10 lakhs, Mr. K. Ilango receiving ₹2.80 lakhs, and Mr. S. Krishnaswami receiving ₹2.00 lakhs during the year under review.

Disclosure with respect to remuneration for the financial year 2023-24: Mr. R. Varadarajan, the Wholetime Director, received a total remuneration of ₹123.00 lakhs, comprising a salary of ₹112.30 lakhs, perquisites amounting to ₹0.40 lakhs, sitting fees totaling ₹2.80 lakhs, and performance-linked incentive/variable pay of ₹7.50 lakhs, without bonuses, stock options, pension, or commission. The performance criteria for the incentive are based on crushing volume, EBITA and overall company performance. His service contract spans three years, with a three-month notice period, and no severance fees were specified. Furthermore, there were no stock option details to report.

13. General Body meetings

Location and time for the last three Annual General Meetings (AGM) / Postal Ballot.

Location	Date	Time	No. of special resolutions passed
The Registered office of the Company at The Uffizi, 338/8 Avanashi Road, Peelamedu Coimbatore Tamil Nadu 641004 (deemed venue). AGM was conducted through Video Conferencing (VC).	30.09.2021	4.00 PM	3
The Registered office (deemed venue). AGM was conducted through VC.	28.09.2022	4.00 PM	3
The Registered office (deemed venue). AGM was conducted through VC.	30.08.2023	4.00 PM	1

There were no special resolutions passed through postal ballot last year. Consequently, details regarding voting patterns and the responsible person for conducting the postal ballot exercise are not provided. Additionally, no special resolution is proposed to be conducted through postal ballot, and hence the procedure for conducting a postal ballot is not included.

14. Means of Communication

The company regularly publishes audited annual financial results and quarterly unaudited financial results, along with notice advertisements, in Business Standard (in English) and Dinamani (in Tamil). Additionally, corporate governance reports, quarterly / annual results, shareholding patterns, and other required details under the LODR/ the Act are posted on the Company's website www.rajshreesugars.com and on the websites of stock exchanges such as www.nseindia.com and www.bseindia.com.

During the financial year, the Company did not make any presentations to institutional investors or analysts, nor did it display official news releases.

15. General shareholder information

i.	AGM - Date, time and venue	Friday, 27 th September 2024 at 4 PM In compliance with the Ministry of Corporate Affairs' circulars permitting General Meetings to be conducted via video conference, the meeting will be exclusively held using this method. The deemed venue for the meeting will be the Registered Office of the Company, located at The Uffizi, 338/8 Avanashi Road, Peelamedu, Coimbatore, Tamil Nadu, 641004.
ii.	Financial year	12 Months ending 31 st March
iii.	Financial calendar 2024-25	First quarterly results – Before 14 th August 2024 Second quarterly results – Before 14 th November 2024 Third quarterly results – Before 14 th February 2025 Fourth quarterly and Audited yearly results – Before 30 th May 2025.
iv.	Book Closure Date for AGM	21 st September 2024 to 27 th September 2024

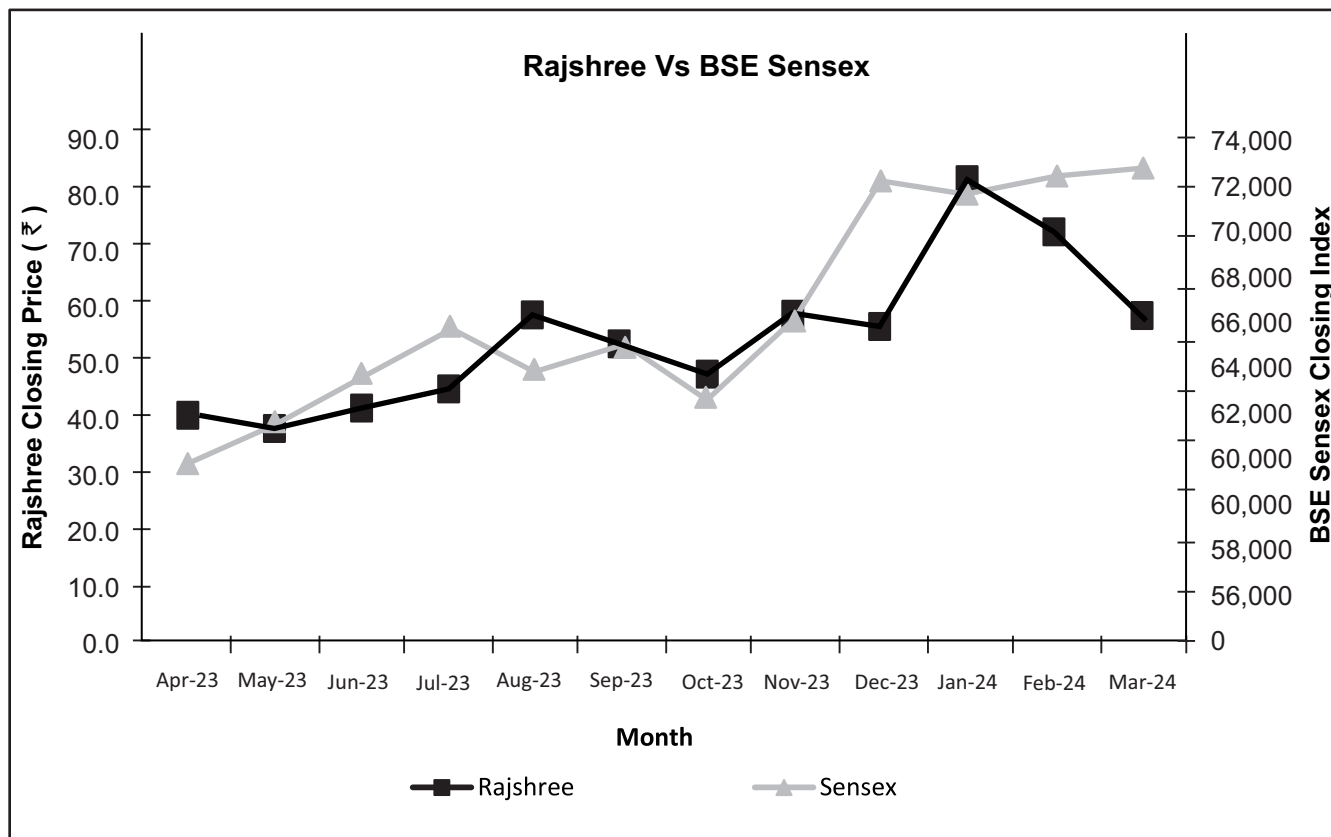
v.	Dividend Payment date	Considering financial strain, your Directors have not recommended payment of dividend for the year 2023-24.
vi.	Name and address of stock exchanges.	<p>BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001</p> <p>National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (E) Mumbai - 400 051</p> <p>The company has paid listing fees to the above Stock Exchanges for the financial year 2024-25.</p>
vii.	Stock Code	<p>500354 (BSE) RAJSREESUG (NSE)</p>

viii. Market Price Data – High/Low during each month of the Financial Year 2023-24:

Amount in ₹

Month		BSE		NSE	
		High	Low	High	Low
April	2023	42.95	38.60	43.00	38.00
May	2023	41.74	36.26	41.75	36.15
June	2023	43.78	36.55	43.90	37.00
July	2023	49.95	37.05	49.70	39.15
August	2023	61.33	44.06	59.90	43.55
September	2023	62.25	51.88	62.35	52.10
October	2023	57.21	47.20	56.00	47.00
November	2023	60.45	46.00	61.00	45.75
December	2023	61.00	51.95	60.70	52.20
January	2024	84.94	59.45	84.95	59.45
February	2024	101.95	67.90	101.90	67.80
March	2024	76.54	54.43	76.80	54.25

ix. Performance in comparison to BSE Sensex:



x.	In case the securities of the Company are suspended from trading, the reason thereof.	Not Applicable
xi.	Registrars and Share Transfer Agents(RTA) (for physical & demat shares)	Link Intime India Private Limited (SKDC Consultants Limited, previously operating as RTA, was amalgamated with its holding company, Link Intime India Private Limited, effective 22 nd December 2023). "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028. Telephone No.91-422-4958995, 2539835, 2539836 Fax : +91-422-2539837 Email ID : coimbatore@linkintime.co.in Website : www.linkintime.co.in
xii.	Share transfer system	No transfer was executed in physical mode during the year as per SEBI Circulars dated 20 th April 2018, 16 th July 2018, and 25 th January 2022. Further, SEBI vide its circular SEBI/ HO/ MIRSD/ MIRSD_RTAMB/ P/ CIR/ 2022 / 8 dated 25 th January 2022, has included the service requests like issue of duplicate securities certificate, claim from unclaimed suspense account, Renewal / exchange of securities certificate, Endorsement, Sub-division / splitting of securities certificates, consolidation of securities certificates / folios, Transmission and transposition which are to be done only in the dematerialized form and the procedure in the above para should be used in this regard.

xiii. Distribution of shareholding as on 31st March 2024 :

Range (No. of shares)	No. of Folios*	No. of shares held	% of shareholding
1 - 500	27,978	31,00,724	9.36
501 - 1000	1,727	14,16,609	4.28
1001 - 2000	886	13,65,647	4.12
2001 - 3000	271	7,04,775	2.13
3001 - 4000	131	4,73,991	1.43
4001 - 5000	112	5,41,504	1.63
5001 - 10000	169	12,87,175	3.88
10001 and above	146	2,42,45,181	73.17
Total	31,420	3,31,35,606	100.00

* Shares held under separate folios / Demat accounts are not consolidated.

xiv. Shareholding pattern as on 31st March 2024

Category	No. of Shareholders*	No. of shares held	% to paid up Capital
Promoter and Promoter Group**	4	1,34,73,621	40.66
Mutual funds	4	4,900	0.01
Banks	6	9,49,369	2.87
Foreign Portfolio Investors Category-I	2	11,675	0.04
Directors and their relatives (excluding independent directors and nominee directors)	1	1,000	0.00
Key Managerial Personnel	-	-	-
Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category).	1	3,43,961	1.04
Investor Education And Protection Fund (IEPF)	1	4,87,692	1.47
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	30,060	88,25,134	26.63
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	51	39,83,097	12.02
Non-Resident Indians (NRIs)	175	23,31,962	7.04
Bodies Corporate	154	20,57,707	6.21
Unclaimed Shares	1	3,182	0.01
Others	419	6,62,306	2.00
Total	30,879	3,31,35,606	100.00

*Shareholders' holdings are clubbed based on Permanent Account Number (PAN).

**A pledge has been created in respect of 1,34,73,621 equity shares with voting rights of Promoter & Promoter Group in favour of SBICAP Trustee Company Ltd, who is holding the pledge on behalf of lenders of the Company (State Bank of India, UCO Bank, Bank of India, ICICI Bank Ltd and Federal Bank Ltd) as per the Framework Restructuring Agreement (FRA) executed on 12th July 2021 between the Company and the lenders for restructuring the debt of the company.

xv.	Dematerialization of shareholding and liquidity.	As of 31 st March 2024, a total of 3,11,18,066 equity shares, constituting 93.91% of the overall equity share capital, are held in dematerialized form with NSDL and CDSL. Factors such as trading volume, outstanding shares, market depth, and institutional investor presence significantly impact the liquidity of a stock.
xvi.	Outstanding Global Depository Receipts/ American Depository Receipts/ Warrants or any convertible instruments, conversion date and likely impact on equity.	Nil
xvii.	Commodity Price Risk or foreign exchanges risk and hedging activities:	Sugar being a commodity is exposed to cycles and price risk. To mitigate commodity risks, the company enters into advance sales with the reputed institutional buyers for a reasonable quantity. Government in June 2018 has fixed a minimum selling price of sugar at ₹29/kg for sale at factory gate in domestic market, below which no sugar mill can sell sugar. Later the price was increased to ₹31 per kg in February 2019 and continued to be operative during the period April 2023 to March 2024. The Government also continued the release order mechanism for controlling the sugar that can be sold in the market. This has helped in arresting the free fall of sugar price. Government has also allowed 6.2 million tons of export of sugar for the sugar season 2022-23 to clear the excess stock of sugar which will increase or stabilize the domestic price.
xviii.	Plant locations.	Unit I - Sugar, Cogeneration & Distillery Varadarajnagar PO, Periakulam Taluk, Theni District, PIN 625 562. Unit II - Sugar & Cogeneration Mundiampakkam PO, Vikravandi Taluk, Villupuram District, PIN 605 601. Unit III - Sugar, Cogeneration & Distillery Semmedu Village, Gingee Taluk, Villupuram District, PIN 604 153
xvix.	Address for correspondence	The Company Secretary Rajshree Sugars & Chemicals Limited Registered Office: "The Uffizi", 338/8 Avanashi Road, Peelamedu, Coimbatore 641 004. Phone: 0422-4226314 / 0422-4226315 / 0422-4226222 E-mail (General): rscl@rajshreesugars.com E-mail (Secretarial) : secretarial@rajshreesugars.com E-mail (Investors) : investor@rajshreesugars.com

xx. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

The debentures issued by the Company are unlisted instruments and hence no rating is required. The Company does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad

xxi. No dividend remains pending for transfer to the Investor Education and Protection Fund (IEPF), except for an unpaid dividend amounting to ₹39,729/- for the financial year 2009-10, which is subject to stay orders issued by the Courts.

16. Other Disclosures

- a) There are no material related parties transactions that may have potential conflict with the interests of the Company at large. The transactions with the related parties are disclosed in Note No.39(17) of the financial statements that includes transactions with Ms.Rajshree Pathy, Promoter (holding more than 10% shareholding in the company), in accordance with relevant accounting standards.
- b) Throughout the last three years, the Company has not encountered any instances of non-compliance, penalties, strictures, or regulatory actions enforced by stock exchange(s), regulatory bodies, or statutory authorities concerning matters related to capital markets.
- c) The Board has established a Vigil Mechanism, as required under LODR, for directors and employees to report concerns about unethical behavior, actual or suspected fraud, and violation of the company's code of conduct or ethics policy. This mechanism also provides adequate safeguards against victimization of directors or employees who avail themselves of the mechanism. The company affirms that no personnel has been denied access to the Audit Committee and ensures direct access to the Chairman of the Audit Committee. The said Policy is available on the company's website at www.rajshreesugars.com/policies.
- d) The Company has complied with all the mandatory requirements of the various regulations of LODR. The Company has also fulfilled non-mandatory/discretionary requirements, namely: (a) The Company moved towards a regime of financial statements with an unmodified audit opinion, (b) has established a separate post of Chairperson and Chief Executive Officer (CEO). The Chairperson is a Non-Executive Director and is not a relative of the CEO as defined under the Act and (c) The Internal Auditors are reporting directly to the Audit Committee.
- e) Web link where policy for determining 'material' subsidiaries is disclosed; Not Applicable.
- f) The Policy on dealing with related party transaction is accessible on the Company's website at www.rajshreesugars.com via the following link: <https://www.rajshreesugars.com/policies>
- g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) : Not applicable
- h) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority is enclosed (**Appendix 1**).
- i) All recommendations made by board committees were accepted by the Board without exception during the relevant financial year.
- j) Total Fees for all services (excluding out of pocket expenses) paid by the Company to the Statutory Auditors and all entities in the network firm/network, for the year ended 31st March 2024 is ₹10.15 lakhs.(₹8.24 lakhs)
- k) In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, we report that there were no complaints filed, disposed of, or pending during the financial year.
- l) Disclosure by the Company of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': Nil
- m) Details of material subsidiary of the Company : Not Applicable
- n) Investor complaints of non-receipt of dividends, non-receipt of annual reports, etc. forwarded by SEBI are periodically resolved and uploaded into SCORES (SEBI Complaints Redressal System) website and no complaints were pending during the year under review.

17. The Company has complied with all the requirement of corporate governance report as per Schedule (V)(C)(2) to (V)(C)(10) of LODR.

18. Compliance with discretionary requirements: The Company has complied with the discretionary requirements under Regulations 27(1) and Part E of Schedule II of LODR as detailed above in point 16(d) of this report.

19. Compliance under LODR : The Company has complied with corporate governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) - 46(2)(i) of LODR.

- 20. Declaration by Wholetime Director :** Declaration signed by the Wholetime Director, as required under Schedule V(D) of LODR stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management is enclosed (**Appendix 2**).
- 21. Certificate from Auditors:** Compliance certificate signed by the Statutory Auditors, as required under Schedule V(E) of LODR regarding compliance of conditions of corporate governance is annexed (**Appendix 3**).
- 22. Disclosure with respect to demat suspense account / unclaimed suspense account:** The following are the details of unclaimed shares pertaining to Public Issue / Rights Issue of the company.

Particulars	Number of shareholders	Number of shares
i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	23	3,182
ii) Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Nil	Nil
iii) Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	23	3,182

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims.

- 23. Disclosure under Schedule III(A)(A)(5A) of LODR:** Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements : Nil
- 24. Independent Directors' meeting :** During the year, a meeting of the Independent Directors was held on 12th February 2024 without the attendance of non-independent directors and members of management, with all independent directors present. At the meeting, they reviewed the performance of non-independent directors and the board of directors as a whole, assessed the Chairperson's performance, considering feedback from executive and non-executive directors, and evaluated the quality, quantity, and timeliness of information flow between the Company's management and the Board necessary for effective performance of duties.
- 25. CEO/CFO Certification:** The certification as per Regulation 17(8) of LODR has been submitted by the Wholetime Director and CFO of the Company to the Board of Directors and is enclosed as (**Appendix 4**).
- 26. Prevention of Insider Trading :** The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated Persons of the Company as required under the SEBI (Prohibition of Insider Trading) Regulations 2015. The said Code is available on the company's website at www.rajshreesugars.com/policies/.

For and on behalf of the Board

Place : Coimbatore
Date : 22nd May 2024

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

APPENDIX – 1**Certificate from the Company Secretary in Practice**

**[Pursuant to clause 10(i) of Part C of Schedule V of the Securities Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s. **RAJSHREE SUGARS & CHEMICALS LIMITED** (CIN: L01542TZ1985PLC001706) "THE UFFIZI", 338/8 AVANASHI ROAD, PEELAMEDU, COIMBATORE - 641 004 and also the information provided by the Company, its officers, agents and authorized representatives, I hereby report that during the Financial Year ended on March 31, 2024, in my opinion, none of the director on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Company u/s 164(2), by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such Statutory authority except Mr. Pethinaidu Narayanasami Suruli, DIN-01468527 for whom Form DIR-12 filed with MCA for vacation of office of u/s 167 is yet to be approved.

Place : Coimbatore
Date : 22nd May 2024

G. SOUNDARRAJAN
Practicing Company Secretary
ACS - 13993 - C.P.No.4993
UDIN : A013993F000405087

APPENDIX – 2**Declaration under Schedule V (D) of Regulation 34(3) of LODR by the Wholetime Director**

The Shareholders,

I, R.Varadarajan, Wholetime Director, hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the Board of Directors and Senior Management Personnel of Rajshree Sugars & Chemicals Limited, for the financial year ended 31st March 2024.

For and on behalf of the Board

Place : Coimbatore
Date : 22nd May 2024

R VARADARAJAN
Wholetime Director
DIN 00001738

APPENDIX – 3

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of M/s. RAJSHREE SUGARS & CHEMICALS LIMITED, Coimbatore

We have examined the compliance of conditions of Corporate Governance by Rajshree Sugars & Chemicals Limited ("the company"), for the year ended March 31,2024 as per relevant Regulations of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the LODR.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India and the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India, which requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagement.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in the relevant Regulations of the LODR, as applicable-during the year ended 31 March, 2024, We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Regn.No.001496S

Place : Coimbatore
Date : 22nd May 2024

V. INDIRA
Membership No.200817
Partner, Auditor
UDIN : 24200817BKBPCD2052

APPENDIX – 4

CEO / CFO CERTIFICATION (Regulation 17(8) of LODR)

We the undersigned, in our respective capacities as Wholetime Director and Chief Financial Officer of Rajshree Sugars & Chemicals Limited ("the Company") to the best of our knowledge and belief certify that:

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

R VARADARAJAN
Wholetime Director
DIN 00001738

C.S. SATHIYANARAYANAN
Chief Financial Officer

Place : Coimbatore
Date : 22nd May 2024

ANNEXURE 3

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

Statement under Section 197 (12) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules).

- 1) The ratio of the remuneration of each director to the median employees' remuneration for the financial year;

Sl.No.	Name of Director	Ratio
1.	Mr. R. Varadarajan, Wholetime Director	35.47

Note: Sitting fees paid to the Directors have not been considered as remuneration. The other Directors have only been paid sitting fees.

- 2) The percentage increase / decrease (-) in remuneration of each Director, Chief Financial Officer, Wholetime Director and Company Secretary in the financial year;

Sl.No.	Name of Director / Official	% increase / decrease (-)
1.	Mr. R. Varadarajan, Wholetime Director	19.40%
2.	Mr. C.S. Sathiyarayanan, Chief Financial Officer	10.00%
3.	Mr. M. Ponraj, Company Secretary	21.01%

- 3) The percentage increase in the median remuneration of employees in the financial year: -0.16%.
- 4) The number of permanent employees on the rolls of Company as on 31st March 2024: 989
- 5) 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;

The average percentile increase in salaries of employees other than managerial personnel is 14.41%. Two key managerial personnel were paid remuneration with an increased percentage, which is in line with industry standards, compared to other employees.

- 6) The remuneration is paid as per the Remuneration Policy of the Company.
- 7) Information as per 5(2) and 5(3) of the rules is furnished below:

Name / Age of employee	Designation / Nature of Duties	Remuneration Received ₹ in lakhs	Qualification / Experience (Years)	Date of Commencement of Employment	Last Employment before joining the Company
Mr. Varadarajan R 66 Years	Wholetime Director	120.20*	Master's Degree in Business Management and English Literature - 44 Years	05 th June 2003	PSG Institutions
Mr. Sathiyamoorthi G 60 Years	President (Head Operations)	79.03**	B.Sc., ADSI - 39 Years	05 th November 1990	Sirugappa Sugars & Chemicals Limited
Mr. Narayan R K 55 Years	Senior Vice President - (Head Marketing)	49.64	B.Com., PGDBA - 30 Years	26 th May 2010	EID Parry (India) Limited

Name / Age	Designation / Nature of Duties	Remuneration Received ₹ in lakhs	Qualification / Experience (Years)	Date of Commencement of Employment	Last Employment before joining the Company
Mr. Mohan Kumar N 58 Years	Associate Vice President (Factory Operations Unit - I)	36.53	ANSI, MBA, 34 Years	02 nd September 2013	EID Parry (India) Limited
Mr. Raghuram R 55 Years	Chief Operating Officer Relieved on 6.11.2023	35.99	BE Mechanical, MBA (Production & Marketing) - 30 Years	17 th September 2021	EID Parry (India) Limited
Mr.Sathiyarayanan C S 53 Years	Chief Financial Officer	32.91	ICWA, CA Inter, B.Com - 24 Years	07 th May 2020	Jeyyam Global Foods Private Limited
Mr. Sundar Rajan J 50 Years	General Manager (Head - Human Resources)	28.21	BA Economics, PGDPMIR 25 Years	12 th January 2022	TNT India Private Limited
Mr. Lakshmana Murthy M 53 Years	General Manager (Factory Operations Unit - III)	27.73	Dip. in Mech. Engg; B.Tech. Mech; BOE 31 Years	11 th August 2022	Uniwold Sugars Private Limited
Mr.Thanga Thiruppathi M 58 Years	Senior Deputy General Manager (Industrial Relations)	26.41	MBA, PGD in PMIR, B.LL - 33 Years	03 rd August 2011	EID Parry (India) Limited
Ms. Sathiyaveni M 57 Years	General Manager (Purchase and Civil)	25.30	B.E., Civil; M.E. Civil - 37 Years	01 st October 1993	Tamilnadu Public Works Department
Mr. Thirugnanam V 60 Years	General Manager (Cane Operations)	24.26	B.Sc., Agri. 35 Years	6 th September 2017	Kothari Sugars & Chemicals Limited

* Excludes sitting fee ₹2.80 lakhs. ** Excludes retirement benefits ₹51.68 lakhs.

Notes:

- 1) The nature of employment of Mr.Varadarajan, Wholtime Director is contractual. The employment of all others is non-contractual and terminable by notice on either side.
- 2) None of the abovementioned employees are related to any Director of the Company.
- 3) None of the employees are covered under Rule 5(2)(ii) and 5(2)(iii) of the Rules.

For and on behalf of the Board

Place : Coimbatore
Date : 22nd May 2024

R VARADARAJAN
Wholtime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

ANNEXURE 4

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

Statement as at 31st March, 2024, pursuant to (Disclosure in the Directors' Report) SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

A. Summary of Status of ESOPs Granted

The position of the existing schemes are summarized as under -

S.No.	Particulars	RSCL Employee Stock Option Plan 2012
1	Date of Shareholder's Approval	10 th October 2012
2	Total Number of Options approved under ESOPs	11,89,585
3	Vesting requirement	i) 50% of options due for vesting on each vesting date shall vest on the basis of time i.e., mere continuance of employment as on date of vesting; and (ii) 50% of options due for vesting on each vesting date shall vest on the basis of achievement of individual key result areas set at the beginning of each financial year preceding the financial year in which the individual vesting date falls.
4	Exercise Price or Pricing Formula	Not Applicable
5	Maximum term of Options granted	8 years
6	Source of shares (Primary / Secondary / Combination)	Primary
7	Variation in terms of ESOP	No Variation
8	Method used to account for ESOP (Intrinsic or fair value)	Not Applicable
9	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not Applicable

B. Option Movement during the year 2023-24

S.No.	Particulars	Numbers
1	Options Outstanding at the Beginning of the Year	0
2	Options Granted during the Year	0
3	Options Forfeited / Lapsed during the Year	0
4	Options Vested during the Year	0
5	Options Exercised during the Year	0
6	Shares arising as a result of Exercise of Options	0
7	Money Realised by Exercise of Options if the scheme is implemented directly by the company (₹ in Lakhs)	0
8	Options Outstanding at the End of the year	0
9	Options Exercisable at the End of the year	0

C. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.

a). Weighted average exercise price of Options granted during the year whose		
i)	Exercise price equals market price	N/A
ii)	Exercise price is greater than market price	N/A
iii)	Exercise price is less than market price	N/A
b). Weighted average fair value of options granted during the year whose		
i)	Exercise price equals market price	N/A
ii)	Exercise price is greater than market price	N/A
iii)	Exercise price is less than market price	N/A

D. Employee-wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted during the financial year 2023-24 to:

- i) Senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) :

Name	No. of Options Granted
No Options Granted during the Year	

- ii) Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year :

Name	No. of Options Granted
No Options Granted during the Year	

- iii) Identified employees who were granted option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant :

Name	No. of Options Granted
No Options Granted during the Year	

- E. Description of the Method and significant Assumptions used to estimate the fair value of options granted during the year : NOTAPPLICABLE.
- F. Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 : 4.15.
- G. The weighted average market price of options exercised during the year: Nil.

H. Weighted average remaining contractual life

Exercise Price Range (₹)	Years
0-100	Nil
100-200	Nil
200-300	Nil

I. Net Income (₹ in lakhs)

Net Income as reported	1,375.77
Less: Fair Value Compensation Cost	0.00
Net Income	1,375.77

For and on behalf of the Board

Place : Coimbatore
Date : 22nd May 2024

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

ANNEXURE 5

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31st MARCH, 2024

SECRETARIAL AUDIT REPORT

(Form No. MR-3)

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 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,
M/s. RAJSHREE SUGARS & CHEMICALS LIMITED
Coimbatore.

I have conducted the SECRETARIAL AUDIT of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. RAJSHREE SUGARS & CHEMICALS LIMITED (CIN:L01542TZ1985PLC001706) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (as amended up-to-date) (wherever applicable) viz. :-
 - 1) SEBI (Prohibition of Insider Trading) Regulations, 2015.
 - 2) SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021.
 - 3) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (as amended up-to-date).
 - 4) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- vi) The following Acts and Rules specifically applicable to a Sugar Industry viz.,
 - 1) Agricultural and Processed Food Products Act, 1985.
 - 2) Acts and Rules prescribed under prevention and control of pollution, environmental protection and energy conservation.
 - 3) Essential Commodities Act, 1955.
 - 4) Export (Quality Control and Inspection) Act, 1963.
 - 5) Food Safety and Standards Act, 2006 and Rules, 2011.

- 6) Indian Electricity Act, 2003.
- 7) The Indian Boilers Act, 1923.
- 8) Levy Sugar Price Equalization Fund Act, 1976.
- 9) Sugar Development Fund Act, 1982.
- 10) Sugar Cess Act, 1982.
- 11) Sugarcane (Control) Order, 1966.
- 12) The Sugar (Control) Order, 1966.
- 13) The Sugar (Packing & Marking) Order, 1970.
- 14) The Tamil Nadu Molasses Control and Regulation Rules, 1958.
- 15) The Tamil Nadu Distillery Rules, 1981.
- 16) Other local laws as applicable to various plants and offices.

The company was not required to comply with the following laws/regulations/ guidelines as these were not applicable during the financial year.

- a) SEBI (Issue and Listing of Debt Securities) Regulations, 2008.
- b) SEBI (Buyback of Securities) Regulations, 2018
- c) SEBI (Issue and Listing of Non- Convertible Securities) Regulations, 2021
- d) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
- e) SEBI (Delisting of Equity Shares) Regulations, 2009

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended up-to-date) (LODR)

During the period under review the Company has complied with all the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. including the laws mentioned above except as stated below :

- The company has filed the prescribed Forms with MCA within the time except (i) Form DIR-12 filed vide SRN AA2791327 dated 6.6.2023 with delay of 6 months and 8 days, and (ii) Form MGT-7 filed vide SRN F86381092 dated 1.12.2023 with delay of 33 days.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director, The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, except as stated below:

- Form DIR-12 filed with MCA for vacation of office u/s 167 for Mr.Pethinaidu Narayanasami Suruli, DIN-01468527 is yet to be approved.

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

All decisions were carried out unanimously and recorded in the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific instances in respect of following except as stated in sl.no.(6):

- 1) Public/Rights /Preferential issue of shares/Debentures/Sweat Equity.
- 2) Buy Back of Securities
- 3) Foreign Technical Collaboration
- 4) Major decisions taken by measures in pursuance of section 180 of the Act.
- 5) Merger/ Amalgamation/ reconstruction
- 6) Redemption of (a) 0.1% Secured, Unlisted, Non-Cumulative, Redeemable & Optionally Convertible Debentures (OCD) and (b) 0.1% Secured, Unlisted, Non-Cumulative, Redeemable & Non Convertible Debentures (NCD).

Place : Coimbatore
Date : 22nd May 2024

G. SOUNDARRAJAN
Practicing Company Secretary
ACS-13993-C.P. No. 4993
Peer Review Certificate No.: 2101/2022
UDIN : A013993F000404944

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

To

The Members

M/s. RAJSHREE SUGARS & CHEMICALS LIMITED

Coimbatore

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

Place : Coimbatore

Date : 22nd May 2024

G. SOUNDARRAJAN

Practicing Company Secretary

ACS-13993-C.P. No. 4993

Peer Review Certificate No.: 2101/2022

UDIN : A013993F000404944

ANNEXURE 6

TO THE BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2024

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Scenario and Development

Global Sugar Outlook

The estimated Global sugar production as per the International Sugar Organization (ISO) is 182.60 million tons with an increase of 3.70 million tons over the previous season. The consumption is expected to grow by 0.89 million tons over the previous season; it is now estimated at 177.00 million tons. The overall global surplus is anticipated to be 5.60 million tons.

World Sugar Balance (Million Tons)				
October to September				
	2023 - 24	2022 - 23	Changes	%
Production	182.60	178.90	3.70	2.07
Consumption	177.00	176.12	0.89	0.50
Surplus / Deficit	5.60	2.79	-	-
End stocks	78.10	74.10	4.00	5.40
Stocks to Consumption Ratio	44.12	42.07	-	-

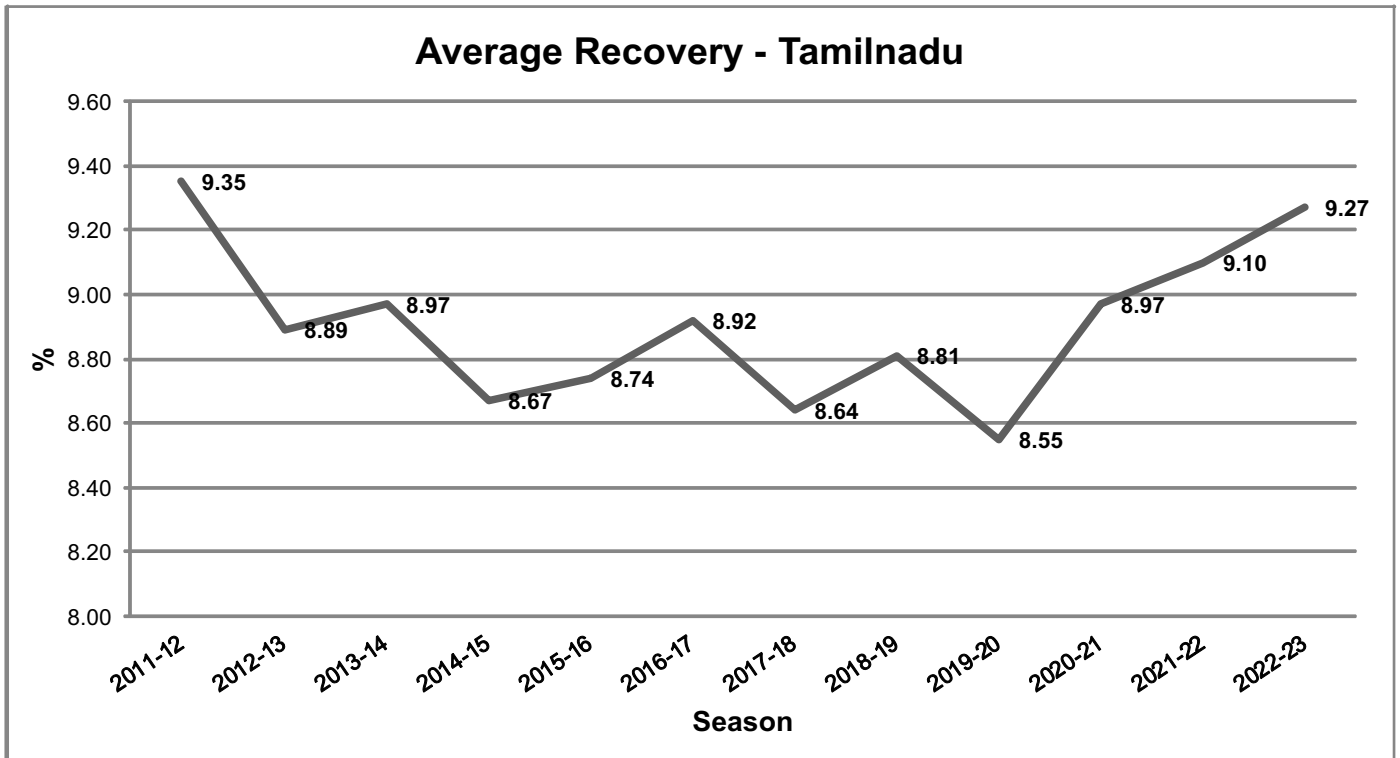
Sugar Sector in India

The estimated sugar production for the sugar season 2023-24 is around 32.00 million tons, down by 0.85 million tons from the previous year. Domestic consumption is estimated at 27.80 million tons compared to 27.50 million tons of the previous year. With the exports of around 0.70 million tons, the closing stock is expected to be around 8.05 million tons as compared to the opening stock of 4.55 million tons.

Sugar Sector in Tamil Nadu

The average rainfall for Tamil Nadu (TN) was lower than the preceding years. However, due to recharged ground water, cane availability, yield and recovery showed a marked improvement, resulting in a positive impact on the capacity utilization. The cane availability and the capacity utilization from 2011-12 seasons are illustrated below:

Sugar season	Cane Crushed (in lakh tons)	Sugar Production (in lakh tons)	Capacity Utilisation %
2011-12	254.55	23.79	99
2012-13	214.57	19.07	84
2013-14	157.60	14.13	61
2014-15	140.50	12.18	55
2015-16	155.86	13.61	61
2016-17	119.04	10.65	46
2017-18	81.42	7.00	31
2018-19	108.54	9.55	39
2019-20	92.20	7.89	32
2020-21	97.85	8.78	38
2021-22	139.15	12.39	54
2022-23	160.54	14.80	63



- Despite the improvement in the cane availability, sugar production and capacity utilization over the last year, the State is still below its last peak in the year 2011-12.
- The average recovery of the State is the highest for the last 10 years, however is below its best of 9.35 in Sugar Year (SY) 2011-12.
- With low capacity utilization, there is a big gap between Fair and Remunerative Price (FRP) payable and Revenue Sharing Formula (RSF) value which mills are unable to bridge.
- Average Market price for Financial Year (FY) 2023-24 was around ₹3,550 per quintal at 8.82% average sugar recovery, the RSF value (@ 75% of realization from sugar sales), and works out to ₹2,663 per ton of cane. But average FRP payable is ₹2,871 per ton of cane pegged to a minimum 9.50% recovery. The gap between FRP payable and RSF value is ₹208 per ton of cane.
- The capacity utilization is around 63% which has resulted in the sub-optimal production of sugar, power and alcohol. Accordingly, the incidence of fixed cost has more than doubled compared to normal times, leaving correspondingly lower amount in the hands of mills for cane payment. TN sugar mills will have to pay FRP at 9.50% irrespective of the actual sugar recovery even if lower than 9.50%. TN Sugar Mills will have to pay for 95 Kgs of sugar equivalent whereas actually they recover only 88.20 Kgs.
- The loss works out to ₹241 per ton of cane crushed.

The good monsoon from 2019 to 2023 has revitalized the agricultural operations in the State and the sugar sector too has benefitted and our company has recorded around 1.02 % increase in cane crushing from 17.81 Lakh tons in FY 2022-23 to 18.09 lakh tons in FY 2023-24.

Government measures in the Sugar Industry

The Government had announced a slew of measures to revive the sugar industry last year:

a) Ethanol

The Central Government has an ambitious target of achieving 20% blending of locally produced Ethanol with petrol by 2025. To enable this, it allowed the sugar mills to produce ethanol from Cane Juice by amending the provisions of Sugarcane Control Act, 1966. As a fallout of the Central Government announcing source based prices for ethanol, the national blending average stands at 11.96% as on 31st March 2024.

b) Tamil Nadu State Sugarcane Policy

During the year, TN Government continued the transitional production subsidy with an increase of ₹20 to ₹215 per ton of sugarcane, which was introduced in 2020-21, to benefit all registered farmers who had supplied sugarcane during 2023-24 sugar season.

Opportunities :

The increase in domestic prices due to lower production and firm World sugar prices, continues to be an opportunity for the industry to sustain and increase margins.

Threats

The unpredictable climate condition, rainfall pattern & low recovery are threats to the sustainable operation of the Industry. The risk of the Government continuing to restrict export of sugar and production of Ethanol from Juice/B-heavy molasses.

Sugarcane Price

The Central Government has increased the 2023-24 season's FRP to ₹315/- per quintal for a basic recovery rate of 10.25% providing a premium of ₹3.15 per quintal for each 0.1 % increase in recovery over and above 10.25% and reduction in FRP at the same rate for each 0.1% decrease in the recovery rate till 9.50%. However, in case of the mill with a recovery of lower than 9.50%, the price remains pegged to this minimum recovery at ₹291.95 per quintal for the 2023-24 season.

Power

The company continues to export power to third party customers from the power plant at Mundiampakkam. This has ensured receipt of timely payment and support the working capital requirement.

The company continues to export power to State Grid from the power plant at Gingee under the power purchase agreement. The applicable power tariff rate is approved by State Regulatory Commission from time to time during the year, the Tamil Nadu Electricity Regulatory Commission (TNERC) has issued its tariff order on 28.12.2023 for the control period from the date of the order to 31.3.2025, according to which the revised rate for the power plant at Gingee is at ₹5.72 per unit as against the previous rate of ₹5.30 per unit.

Outlook

The country is set to produce 32 million tons in the current season 2023-24. With an export possibility of 0.70 million tons and a consumption figure at 27.80 million tons, it would leave the industry with a closing stock at 8.05 million tons.

Risk Analysis

The major risks faced by the industry include sugarcane availability, sugar recovery, price realization, regulatory control by Government and financial liquidity amongst others.

For managing such risks emanating from such a volatile environment, the company has put in place a dynamic and robust management process for review at periodic intervals.

Sugar Price Realization Risk

The perceived risk on sugar price realization is lower given the outlook of lower stock available.

Risk mitigation

To de-risk the challenges of cyclicity in the sugar business, the downstream plants installed for producing alcohol and cogeneration of power by using byproducts of sugar production viz., molasses and bagasse continue to complement the profitability of the company. Further the company has also added flexibility to produce Ethanol from Sugar Cane Juice/Syrup.

The Company is also focusing on selling sugar regularly at every price point thereby improving average realization.

In order to stabilize the domestic sugar prices, and to enable the sugar mills across the country to clear the cane price arrears, the government had taken the following measures during the year:

- a. The Government of India had continued the monthly sugar release mechanism to control sugar supply to the domestic market for the 2023-24 season.
- b. The Government of India has also maintained the Minimum Selling Price (MSP) of ₹31/- per kg, below which the mills cannot sell sugar.
- c. Export of sugar to the extent of 0.70 million tons which is the expected permission by the Central Government to clear the excess stock and stabilize the domestic sugar price.
- d. The stock of cane juice and B heavy molasses held by companies on the date of the ban was permitted to be processed as ethanol

Sugarcane Availability and Sugar Recovery

Sugarcane is the main raw material in sugar mills which is monsoon dependent and it becomes unpredictable in adverse climatic conditions. Similarly other factors like scarcity of harvest labor, sugarcane price, and availability of attractive competitive/ alternate crops will have a direct impact on cane availability, sugar recovery and our business. The sugar industry continues to be regulated by State Governments by other controls viz., reservation of cane area and fixation of sugarcane price.

Risk Mitigation

The Company has a robust sugar cane extension department to support crop management practices on the field. Further, Research and Development wing ensures new technology and high yielding varieties are made available at the right time to the farmers.

Measures taken by the Company to mitigate the risks

- Micro level continuous yield improvement activities to obtain a higher yield per acre focusing on Low yielding farmers and villages.
- Promoting high sucrose yielding varieties for better sugar recovery.
- Maintaining above 90% of the area with high yield and high sugar varieties for better cane and sugar productivity
- Implementing activities like trash shredding, trash mulching and organic manure application to improve soil fertility
- Close monitoring of nursery development, supply of good quality seeds, fertilizers, micro nutrients and growth promoting inputs, among others as a part of cane development activities.
- More focus on areas with better ground water availability.
- Promoting wider row planting, timely mechanized inter cultural operation and mechanical harvesting which includes entrepreneur development.
- Implementation of good agronomical and pest management practices.
- Promoting drip irrigation.
- Testing new improved varieties of cane with the support of Sugarcane Breeding Institute and Tamil Nadu Agricultural University.
- Continuous monitoring of cane planting, clean cane management and harvesting schedule.
- Implementation of better Ratoon management practices.
- Developing local and outside cane harvest work force for timely harvest and supply

- Support farmers with timely updated information on technical and entrepreneurial subjects for yield and quality improvement of sugarcane.
- Increasing the quantum of registered cane and the gradual reduction of outside cane
- Focusing on factory efficiency parameters to recover maximum sugar.

Financial liquidity risk

- The sugarcane availability and sugar price risk continue to have significant impact on the financial liquidity of the Company.
- Sugar industry is highly working capital intensive. Raising adequate and rightly-priced working capital to support peak period operation of the company might pose a challenge.
- Since the Company has been under monitoring period after implementing the debt restructuring by lenders with retrospective effect from 30.6.2020, it is operating without working capital facilities, and has to continuously sell inventory to maintain cash flows. This situation will continue till the company's account is upgraded as standard with the lenders.
- The Company had challenged the monthly sugar release mechanism, before the court of law and the Madras High Court has dismissed our Writ Petition.

Risk mitigation:

The continuation of the approved debt restructuring proposal of the company by all the lenders with the beneficial terms which includes reduction in interest rate and the deferred repayment schedule to mitigate the liquidity crunch faced by the Company.

Restructuring of Sugar Development Fund Loan.

1. The Company had received letter dated 2nd August 2023 from Sugar Development Fund (SDF) stating that the case of restructuring of Ethanol loan of ₹32.45 crore and Co-generation loan of ₹21.10 crore availed by the Company is treated as closed consequent to inadequate Fixed Asset Coverage Ratio (FACR) to create security and expiry of validity of Administrative Approval.
2. The Company had approached the senior management of State Bank of India (SBI) for review of the company's proposal to take up SDF Loan. SBI could not take up the loan for the reason that the company's debts are still under NPA status. The Company is exploring alternative funding options.
3. Meanwhile, the Ministry of Consumer Affairs, Food & Public Distribution, issued Revised Operational Guidelines for Restructuring of SDF loans under SDF Rule 26 on 28th February 2024 which provide reliefs similar to the operational guidelines dated 3.1.2022 except for amendment in clause 4(e), wherein, the provision for an "upfront payment of Principal & Interest" has been amended as "One Time Settlement (OTS) Scheme". The scheme provides the following:
 - i. Normal Interest shall accrue and be charged till the date of such complete payment of said Principal and Interest.
 - ii. The complete payment shall be made by the sugar factory/undertaking within six months of issue of Administrative Approval issued pursuant to the application under this clause.
 - iii. The proposal of the sugar factory/undertaking is recommended by the Committee for Rehabilitation.
 - iv. Provided further that, if any of the above conditions are not fulfilled, such application under this sub-clause shall be closed forthwith with a result of restoration of the original liability of SDF overdues including Principal, Interest and Additional Interest. However any payment made by the sugar factory/undertaking during this process will be adjusted first towards payment of additional interest, then to Interest and thereafter for payment of Principal.

The Company has proposed to apply for OTS and is in the process of arranging funding options.

Internal control systems and their adequacy

The Company has well-established internal control systems in the form of well-documented policies, authorization guidelines commensurate with the level of responsibility standard operating procedures and effective internal audit system to ensure smooth functioning of the company.

The Board, Audit Committee and the Key Management review the findings and recommendations of the Internal Auditors and take corrective action, wherever necessary. Moreover the Audit Committee periodically interacts with Statutory Auditors and makes continuous assessments of the adequacy and effectiveness of the internal control systems.

Human Resources / Employee Wellbeing

The Management Staff Strength as on 31st March 2024 is 220 and the Non-Management Staff strength is 769. Industrial Relations have been cordial and there is no significant development. For the year, there has been 80% retention of Key Management Talent and staff attrition is at 9.23% as against the same at 11.40% in the previous year. The employees were imparted 957 man-days of learning through the year.

Financial performance with respect to operational performance

a) Operational Performance

Particulars	Year ended		% Increase (Decrease)
	31.3.2024	31.3.2023	
Cane Crushed (MT)	18,08,669	17,81,221	1.54
Recovery %	8.53	8.87	(0.34)*
Sugar Produced (MT)	1,54,369	1,58,042	(2.32)
Sugar Sold (MT)	1,49,155	1,67,203	(10.79)
Power Produced (Lakh Kwh)	2,233	2,042	9.35
Power Exported to Grid (Lakh Kwh)	1,414	1,253	12.84
Alcohol Produced (Lakh Litres)	240	223	7.62

* Absolute change

b) Financial Performance- Segment Wise

The company is engaged in three segments, namely Sugar, Cogeneration and Distillery; (₹ in Lakhs)

Particulars	31.3.2024	31.3.2023
Sales / Turnover		
Sugar	60,695.41	63,037.91
Co-generation	11,302.37	9,841.16
Distillery	14,763.42	12,914.25
Less: Inter Segment revenue	10,396.06	9,101.03
Net Sales / Income from Operations	76,365.14	76,692.30
Profit / (Loss) before tax		
Sugar	(5,928.87)	(4,656.99)
Co-generation	6,478.07	5,400.95
Distillery	4,807.46	3,796.53
Less: i. Interest	2,372.79	1,418.76
ii. Other un-allocable expenditure	877.82	1,048.46
Add : Exceptional Income	-	-
Profit /(Loss) before tax	2,106.05	2073.27

c) Ratios where there has been significant change for FY 2022-23 to FY 2023 - 24 :

S. No.	Key Profitability Ratios	FY 2023-24	FY 2022-23	Remarks
1.	EBITDA/Sales % (Operating Profit Margin)	8.99%	7.73%	Increase in Operating Profit Margin is due to increase in selling price of Sugar, Power & Alcohol and decrease in cost of process materials.
2.	Net Profit Margin (%)	2.77%	2.71%	Net profit margin is more or less same despite the increase in operating margin. This is mainly due to reinstatement of normal & Penal Interest applicable prior to debt restructuring on account of closure of restructuring of SDF Loans.
3.	Return on Net Worth	7.95%	8.25%	As explained in point no. 2 above

S. No.	Key Liquidity Ratios	FY 2023-24	FY 2022-23	Remarks
1.	Current Ratio	0.97	1.09	Decrease in current ratio over the previous is due to reclassification of entire dues of SDF Loan under current liabilities due to closure of restructuring.
2.	Debtors Turnover Ratio	24.85	19.29	The value of Debtors as on 31st March 2024 has been lower by 23% as compare to the same as on 31st March 2023 while the decrease in sales during the year 2023-24 is by 0.05% as compare to the same during the year 2022-23. This has led to an improvement in the Debtors turnover ratio.
3.	Inventory Turnover	4.44	5.14	The Inventory Turnover ratio is slightly lower due to stock holding higher by 15% in the year end.

S. No.	Key Capital Structure Ratios	FY 2023-24	FY 2022-23	Remarks
1.	Debt Equity Ratio	1.48	1.60	Reduction in Debt Equity Ratio is due to reduction in debt arising out of repayment of the principal as per repayment schedule of approved debt restructuring scheme & increase in General reserves in Equity.
2.	Interest Coverage Ratio	2.88	4.17	The EBITDA has been at ₹68.44 crores in FY 2023-24 as against the same at ₹59.13 crores in FY 2022-23. The interest charge has been recorded at ₹23.73 crores in the year 2023-24 as against the same at ₹14.19 crores in 2022-23. This is mainly due to reinstatement of normal & Penal Interest applicable prior to debt restructuring due to closure of restructuring of SDF Loans. This led to the decrease in interest coverage ratio.

Cautionary statement

Statements in this Report describing the Company's objectives, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board

Place : Coimbatore
Date : 22nd May 2024

R VARADARAJAN
Wholetime Director
DIN 00001738

SHEILENDRA BHANSALI
Independent Director
DIN 00595312

INDEPENDENT AUDITOR'S REPORT

To the Members of Rajshree Sugars & Chemicals Limited

Report on the Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its Profit, total comprehensive income, changes in equity and its cash flows 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) 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence 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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>1) Cancellation of Administrative approval of restructuring of loans from Sugar Development Fund (SDF)</p> <p>The restructuring agreement entered with Sugar Development Fund has been treated as closed consequent to expiry of validity of Administrative Approval.</p>	<p>Our audit procedures consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <ul style="list-style-type: none"> - Reviewing the agreement entered between M/s. Rajshree Sugars & Chemicals Limited (Borrower) and IFCI Limited / President of India (Central Government) dated 11th August 2022, with regard to the Administrative approval for restructuring of the loan of SDF. - Obtaining a detailed understanding of the communication from Govt. of India dated 02nd August 2023, regarding expiry of the validity of Administrative Approval, reasoning FACR of the sugar factory being lower than benchmark of 1.33 and hence, closing of the restructuring case of the company.

Key Audit Matter	How our Audit Addressed the Key Audit Matter
<p>Therefore, the loan accounts including the normal interest and penal interest have been restated as per terms applicable before restructuring.</p>	<ul style="list-style-type: none"> - Reviewing the revised operational guidelines for restructuring of SDF loans under Rule 26 of SDF dated 28th February 2024 and as a result, the original liability of SDF including Principal, Interest and Additional Interest has been restored back in the books of accounts. The concessional rate of interest as per the Administrative Approval has been withdrawn and interest including penal interest has been restated to the original interest rate. - Obtaining the confirmation from SDF with regard to the loan, interest and penal interest due to be paid as of 31st March 2024. Further, the entire outstanding loan as on 31.03.2024 has been reclassified from long term borrowings to short term borrowings as current maturities of long term debt. - The company informs that the only option available to it is to close the loan under One time Settlement (OTS) Scheme." The para 4E of the guidelines, "One Time Settlement (OTS) scheme" proposes the complete payment of Principal and interest (with waiver of additional interest) as the final settlement towards dues of SDF. As the company has not entered into an agreement with SDF regarding any final settlement as at the date of audit report, the same has been treated as a non-adjusting event as per Ind AS 10 and accordingly the entire liability including penal interest has been provided and classified as current liability .

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

The 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 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe

these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except unpaid dividend of ₹39,729/- for the Financial Year 2009-10 as per the stay orders issued by the Court.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity,

including foreign entity ("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;

c) Based on the audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 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 softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

vii. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Registration No.001496S

Place : Coimbatore
Date : 22nd May 2024

V. Indira
Partner, Auditor
Membership No.200817
UDIN : 24200817BKBPCE1645

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of RAJSHREE SUGARS & CHEMICALS 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 Board of Directors of the Company 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. 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the

company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Registration No.001496S

Place : Coimbatore
Date : 22nd May 2024

V. Indira
Partner, Auditor
Membership No.200817
UDIN : 24200817BKBPCE1645

ANNEXURE “B” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' section of our report of even date)

According to the information and explanations sought by us and given by the Company and the books and records examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

- i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals having regard to size of the company and nature of its assets. No material discrepancies were noticed on such verification.
 - c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other 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 the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - d) The Company has not revalued any other Property Plant and Equipment (including Right of Use Assets) and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) A. The stocks of finished goods, stores, spares and raw materials of the Company have been physically verified by the management during the year at reasonable intervals and the coverage and procedure of such verification by the Management is appropriate. In our opinion, no material discrepancies were noticed.
B. The Company has not been sanctioned any working capital limits, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable
- iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- iv) The Company has not advanced any loans to its directors or any other person in whom the directors are interested or made any Investment or given any guarantee or provided any security in connection with any loan taken by the directors or such other person as contemplated under section 185 and 186 of the Act.
- v) According to the information and explanations given to us the Company has not accepted any deposit or amounts which are deemed to be deposits.
- vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, in respect of manufacture of sugar and alcohol as well as generation and transmission of electricity by the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however carried out a detailed examination of the same.

vii) According to the information and explanations given to us, in respect of statutory dues:

- a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b) There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and other material statutory dues applicable to it in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- c) Details of statutory dues which have not been deposited as at March 31, 2024 on account of any dispute are given below:

Name of the Statute	Nature of Demand	Amount (₹ in Lakhs)	Period to which the Amount Relates	Forum where dispute is pending
Central Excise	Excise Duty Penalty	80.38 80.38	April 2012-June 2012	Commissioner Appeal
Central Excise	Excise Duty	550.50	April 2013-March 2014	CESTAT
Central Excise	Excise Duty	6284.00	April 2014-June 2017	Madras High Court

(viii) In our opinion, there are no transactions that are not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) a) The company has not defaulted in the repayment of loans and other borrowings or payment of interest to the lender Banks after entering into the Framework Restructure Agreement with them. In respect of the borrowings from Sugar Development Fund, the details of default in repayment are given in Note no.39(1)&(3) of the Notes to the Financial Statements.
- b) The company has not been declared a willful defaulter by any bank or financial institution or other lender.
- c) The company has not availed any term loans during the year.
- d) The company has not raised any funds on short term basis.
- e) The company has no investments in subsidiaries, joint ventures and associate companies.
- (x) a) The company has not raised money by initial public offer or further public offer (including debt instruments) during the year.
- b) The company has not made any Preferential Allotment or private placement of shares or convertible debentures during the year.

- (xi) A) No material frauds by the company or on the company has been noticed or reported during the course of our audit.
- B) The company has not received any whistle-blower complaints during the year.

(xii) The company is not a Nidhi company and therefore this clause is not applicable to the company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in 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) We have considered the reports of the Internal Auditors for the period under audit, to the extent the same has a bearing on the Financial Statements.
- (xv) The Company has not entered into non-cash transactions with directors or persons connected with them.
- (xvi) A) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
B) The Company has not conducted any Non-Banking Financial or Housing Finance activities.
C) The Company is not a Core-Investment-Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (xvii) The Company has not incurred cash loss during the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) The requirement of compliance with Corporate Social Responsibility in terms of Section 135 of the Companies Act, 2013, is not applicable to the Company.

For S. KRISHNAMOORTHY & CO.,
Chartered Accountants
Firm Registration No.001496S

V. Indira
Partner, Auditor
Membership No.200817
UDIN : 24200817BKBPCE1645

Place : Coimbatore
Date : 22nd May 2024

BALANCE SHEET AS AT 31ST MARCH 2024

(₹ in Lakhs)

PARTICULARS	Note	31.3.2024	31.3.2023
ASSETS			
Non-current assets			
Property, plant and equipment	2	56,780.09	58,809.78
Right of use	3	65.45	93.39
Capital work in progress	2	113.84	36.69
Investment properties	4	9.94	10.33
Other intangible assets	2	24.17	24.17
Financial assets:			
i. Other financial assets	5	248.17	276.04
Deferred tax assets (Net)	6	1,182.24	1,923.35
Other non-current assets	7	78.88	469.00
Total non-current assets		58,502.78	61,642.75
Current assets			
Inventories	8	17,161.85	14,864.61
Financial assets:			
i. Trade receivables	9	3,065.00	3,963.94
ii. Cash and cash equivalents	10	496.73	188.89
iii. Bank balances other than cash and cash equivalents	11	0.97	0.94
iv. Other financial assets	12	603.83	586.42
Current tax asset - Net	13	60.73	122.67
Other current assets	14	674.88	821.15
Asset classified as held for sale	15	-	-
Total current assets		22,063.99	20,548.62
Total Assets		80,566.77	82,191.37

Material Accounting Policies Note No. 1
 See accompanying notes to the financial statements

(Continued...)

As per our report of even date
For S. Krishnamoorthy & Co.
 Chartered Accountants
 Registration No.001496S

V. Indira
 Membership No:200817
 Auditor, Partner

Sheilendra Bhansali
 Independent Director
 DIN 00595312

R Varadarajan
 Wholetime Director
 DIN 00001738

Place : Coimbatore
 Date : 22nd May 2024

C S Sathiyarayanan
 Chief Financial Officer

M Ponraj
 Company Secretary

BALANCE SHEET AS AT 31ST MARCH 2024 (Continued)

(₹ in Lakhs)

PARTICULARS	Note	31.3.2024	31.3.2023
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	3,313.56	3,313.56
Other Equity	17	23,180.31	21,826.20
Total equity		26,493.87	25,139.76
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	31,236.23	38,085.71
ii. Lease Liabilities	3	0.08	49.49
Provisions	19	-	12.74
Total non-current liabilities		31,236.31	38,147.94
Current liabilities			
Financial liabilities			
i. Borrowings	20	7,963.63	1,899.44
ii. Trade payables	21		
a. Total outstanding dues of micro enterprises and small enterprises		-	675.66
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		11,804.80	12,895.65
iii. Other financial liabilities	22	0.40	0.40
iv. Lease Liabilities	3	56.13	47.76
Other current liabilities	23	2,832.20	3,337.11
Provisions	19	179.43	47.65
Total current liabilities		22,836.59	18,903.67
Total liabilities		54,072.90	57,051.61
Total equity and liabilities		80,566.77	82,191.37

Material Accounting Policies Note No. 1

See accompanying notes to the financial statements

As per our report of even date

For S. Krishnamoorthy & Co.

Chartered Accountants

Registration No.001496S

V. Indira

Membership No:200817

Auditor, Partner

Sheilendra Bhansali

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Wholetime Director

DIN 00001738

Place : Coimbatore

 Date : 22nd May 2024

C S Sathiyarayanan

Chief Financial Officer

M Ponraj

Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in Lakhs)

PARTICULARS	Note	31.3.2024	31.3.2024
INCOME			
Revenue from operations	24	76,365.14	76,692.30
Other income	25	1,273.14	702.87
Total income		77,638.28	77,395.17
EXPENSES			
Cost of materials consumed	26	57,473.29	54,130.82
Changes in inventories of work-in-progress, Stock-in-trade and finished goods	27	(2,171.36)	2,659.18
Employee benefit expenses	28	4,999.75	3,923.22
Finance costs	31	2,372.79	1,418.76
Depreciation and amortisation expense	29	2,365.38	2,420.87
Other expenses	30	10,492.38	10,769.05
Total expenses		75,532.23	75,321.90
Profit/(loss) before exceptional items and tax		2,106.05	2,073.27
Exceptional items		-	-
Profit/(loss) before tax		2,106.05	2,073.27
Income tax expense/(benefit)	32		
Current tax		-	-
Refund of earlier years		(18.12)	-
MAT credit reversal - Adoption of new tax regime		-	1,634.77
Deferred tax		748.40	1,335.37
Income tax expense/(benefit)		730.28	2,970.14
Profit/(loss) for the year		1,375.77	(896.87)
Other comprehensive income			
<i>Items that will not be reclassified to profit or (loss)</i>			
1. Remeasurement of post employment benefit obligations		(28.94)	(101.03)
Income tax relating to the above items	32	7.28	25.43
Other comprehensive income/(loss) net of tax		(21.66)	(75.60)
Total comprehensive income/(loss) for the period		1,354.11	(972.47)
Earnings/(Loss) per equity share of ₹10/- each (Amount in ₹)			
Basic earnings/(loss) per share	38	4.15	(2.71)
Diluted earnings/(loss) per share	38	4.15	(2.71)

Material Accounting Policies Note No. 1

See accompanying notes to the financial statements

As per our report of even date

For S. Krishnamoorthy & Co.

Chartered Accountants

Registration No.001496S

V. Indira

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Place : Coimbatore

 Date : 22nd May 2024

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Chief Financial Officer

M Ponraj

Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2024

₹ in Lakhs

PARTICULARS	31.3.2024	31.3.2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before income tax	2,106.05	2,073.27
Adjustments for:		
Depreciation and amortisation expense	2,365.38	2,420.87
(Gain)/loss on disposal of property, plant and equipment	(36.12)	(398.61)
Excess provision of earlier years written back	(621.89)	-
Bad debts written off	342.16	-
Finance costs	2,326.35	1,402.78
ROU asset adjustments due to revision in rental agreements	-	-
Lease liabilities adjustments due to revision in rental	-	-
Finance cost on right of use asset	46.45	15.97
Change in operating assets and liabilities		
(Increase) / Decrease in trade receivables	556.78	(601.81)
(Increase) / Decrease in inventories	(2,297.24)	2,885.32
Increase / (Decrease) in trade payables	(1,663.48)	(2,725.20)
Increase / (Decrease) in other financial assets	(17.43)	66.99
(Increase) / Decrease in other non-current assets	390.11	(0.47)
(Increase) / Decrease in other current assets	146.27	(45.70)
Increase / (Decrease) in provisions	90.11	(160.99)
Increase / (Decrease) in security deposits	27.87	(53.38)
Increase / (Decrease) in other current liabilities	13.95	(3,284.77)
Cash generated from operations	3,775.32	1,594.27
Income taxes paid	80.05	(39.84)
Net cash inflow/(outflow) from operating activities	3,855.37	1,554.43
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(416.69)	(402.54)
Proceeds from sale of property, plant and equipment	93.22	5,075.78
Net cash inflow/(outflow) from investing activities	(323.47)	4,673.24
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from borrowings	(1,827.77)	(4,818.28)
Interest paid	(1,330.31)	(1,418.76)
Payment of lease liabilities	(65.98)	(54.80)
Net cash inflow / (outflow) from financing activities	(3,224.06)	(6,291.83)
Net increase / (decrease) in cash and cash equivalents	307.84	(64.16)
Cash and cash equivalents at the beginning of the financial year	188.89	253.05
Cash and cash equivalents at the end of the year	496.73	188.89

Material Accounting Policies Note No. 1

See accompanying notes to the financial statements

As per our report of even date

For S. Krishnamoorthy & Co.

Chartered Accountants

Registration No.001496S

V. Indira

Membership No:200817

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DIN 00001738

Place : Coimbatore

Date : 22nd May 2024

C S Sathiyarayanan

Chief Financial Officer

M Ponraj

Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2024 (₹ in Lakhs)
i) Equity Share Capital

Particulars	Note	
Balance as at March 31, 2022		3,313.56
Changes in equity share capital during the year	16	-
Balance as at March 31, 2023		3,313.56
Changes in equity share capital during the year	16	-
Balance as at March 31, 2024		3,313.56

ii) Other Equity

Particulars	Note	Reserves and Surplus					Equity component of compound financial liability	Other Reserves Share Option Outstanding Reserve	Total
		Securities Premium Account	General Reserve	Capital Reserve	Fair value Reserve	Retained Earnings			
Balance as at March 31, 2022		1,560.15	7,575.90	158.70	23,892.97	(10,389.06)	-	-	22,798.66
Profit for the period	17	-	-	-	-	(896.87)	-	-	(896.87)
Other comprehensive income	17	-	-	-	-	(75.60)	-	-	(75.60)
Share option outstanding reserve to retained earnings	17	-	-	-	-	-	-	-	-
Transfer to retained earnings on disposal		-	-	-	1,706.23	(1,706.23)	-	-	-
Balance as at March 31, 2023		1,560.15	7,575.90	158.70	25,599.20	(13,067.76)	-	-	21,826.20
Profit for the period	17	-	-	-	-	1,375.77	-	-	1,375.77
Other comprehensive income	17	-	-	-	-	(21.66)	-	-	(21.66)
Balance as at March 31, 2024		1,560.15	7,575.90	158.70	25,599.20	(11,713.65)	-	-	23,180.31

Material Accounting Policies Note No. 1
See accompanying notes to the financial statements

As per our report of even date
For S. Krishnamoorthy & Co.
 Chartered Accountants
 Registration No.001496S

V. Indira
 Membership No:200817
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Sheilendra Bhansali
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R Varadarajan
 Wholetime Director
 DIN 00001738

Place : Coimbatore
 Date : 22nd May 2024

C S Sathiyarayanan
 Chief Financial Officer

M Ponraj
 Company Secretary

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Company overview

RAJSHREE SUGARS & CHEMICALS LIMITED ('the Company') is a public limited company incorporated in India. The company's equity shares are listed on BSE and NSE. The registered office is located at 'The Uffizi', 338/8, Avanashi Road, Peelamedu, Coimbatore 641 004.

1. Material accounting policies

1.1 Statement of compliance

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

The principal accounting policies are set out below:

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

1.3 Going concern

The Board of Directors have considered the financial position of the Company at 31st March 2024 and projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

1.4 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statement.

1.5 Revenue recognition

The company derives revenue primarily from the sale of Sugar, Alcohol and Power.

Revenue from contract with customers is recognized when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Goods and Services Tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

1.6 Foreign currencies

1.6.1. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the company's functional and presentation currency.

1.6.2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognized in profit or loss.

1.7 Employee Benefits

1.7.1. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

1.7.2. Other long term employee benefit

The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

1.7.3. Post-employment obligation

The Company operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees and
- b) Defined contribution plans such as provident fund.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Defined contribution plan:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme and pension scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plan:

The Company has a gratuity defined benefit plans for its employees. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and the balance sheet. The Company has funded this with Life Insurance Corporation of India ('LIC') and HDFC Standard Life Insurance Company. The contributions made are treated as plan assets. The defined benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

1.7.4. Bonus plans

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.8.1 Current tax

The income tax expenses or credit is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted.

1.8.2 Deferred tax

Deferred tax is provided in full, using the balance sheet approach, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1.8.3 Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income taxes are also recognized in other comprehensive income or directly in equity respectively.

1.9. Property, plant and equipment

1) Adoption of Revaluation Model:

The management adopted revaluation model for its land, and determined that these constitute separate class of assets under Ind AS 113, based on the nature, characteristics and risks of the asset.

Fair value of the land is determined by using the market approach. As at the date of revaluation, Value is restated based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in Other Comprehensive Income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss. A revaluation deficit is recognized in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred directly to retained earnings.

2) Cost Model

Property, plant and equipment, other than land measured through revaluation model, are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to profit or loss during the reporting period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Depreciation on Property, Plant and Equipment (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The estimated useful life of the tangible assets are reviewed at the end of the each financial year and the depreciation period is revised to reflect the changed pattern, if any.

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

1.9.1. Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss on disposal or retirement of property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

Depreciation on investment property has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

1.10. Intangible assets

Intangible assets are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

1.11. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are 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 asset for which the estimates of future cash flows have not been adjusted.

1.12. Inventories

Inventories are valued at the lower of cost and net realizable value.

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and appropriate proportion of variable and fixed overhead expenditure. Overhead expenditures are being allocated on the basis of normal operating capacity. Raw materials are valued at first in first out. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Non-production inventory (other than those supplied along with main plant and machinery, which are capitalized and depreciated accordingly) are charged to profit or loss on consumption.

1.13 Provisions and contingencies

Provisions: Provisions are recognized when there is a present obligation or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability

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

1.14 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

1.15 Financial assets

All purchases or sales of financial assets are recognized and de-recognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

1.15.1. Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortized cost unless the asset is designated at fair value through profit or loss under the fair value option:

- **Business model test** : the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- **Cash flow characteristic test** : the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- **Business model test** : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- **Cash flow characteristic test** : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

1.15.2. Financial assets at fair value through profit or loss (FVTPL)

Investment in equity instrument are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortized cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortized cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognizing the gains or losses on them on different bases.

Investments in debt based mutual funds are measured at fair value through profit and loss.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss.

1.15.3. Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

1.15.4. Cash and cash equivalents

Cash flows are reported using the indirect method, whereby profit for the year 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.

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement.

1.15.5. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- financial assets measured at amortized cost
- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to:

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

1.15.6. Income recognition

Interest Income: Interest income from debt instruments is recognized using the effective interest rate method.

1.16 Financial liabilities

i) Initial Recognition:

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, debt instruments and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

ii) Subsequent measurement:

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method.

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of the subsequent accounting period.

Amortized cost is calculated by taking into account any discount or premium on issue of funds, and transaction costs that are an integral part of the Effective Interest Rate ("EIR").

Any fees, paid or received, transaction costs and other premiums or discounts that are included in the calculation of the effective interest rate are amortized over the expected life of the financial instrument.

The carrying amount of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest rate method. Interest expense that is not capitalized as part of costs of an asset is included in the "Finance costs" in Statement of Profit and Loss.

iii) De-recognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

When an existing financial liability is replaced by another from the same lender :

- a. on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.
- b. with no substantially different terms, or the terms of an existing liability are not substantially modified, such an exchange or modification is treated as modification of original liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss or amortized as expenses over the period of time.

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in profit or loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss

1.16.1. Debt Securities:

The Optionally Convertible Debentures ("OCD") and Non-Convertible Debentures ("NCD") issued by the Company are Financial Liability because the issuer has an obligation to transfer financial assets to the holder of the debt securities.

The OCDs and NCDs are issued as a part of exchange of existing loan under restructuring agreement. The terms are substantially modified on such exchange i.e. 10% test is passed and the principle of "extinguishment accounting" are applied.

The old loan is de-recognized and the debt securities issued are recognized at fair value. The difference between the carrying value and the fair value of debt securities is charged to the profit or loss account.

The company has incurred expenses with respect to loan syndication fees and Commitment fees, which relate to restructuring when it was unlikely that the restructuring arrangement will be entered into, are charged to profit and loss account.

The debt securities are subsequently measured at amortized cost using the effective interest rate method. The value of redemption is reduced from carrying value of the debt securities.

1.16.2. Borrowings:

As per the restructuring plan sanctioned, the borrowings are exchanged with the existing borrower for substantially modified terms. The 10% test is passed and the principle of "extinguishment accounting" are applied.

The old loan or borrowings are de-recognized and the new loan or borrowings are recognized at fair value. The difference between the carrying value and the fair value of new loan or borrowings is charged to the profit or loss account.

The company has incurred expenses with respect to loan syndication fees and Commitment fees, which relate to restructuring when it was unlikely that the restructuring arrangement will be entered into, are charged to profit and loss account. The loans and borrowings are subsequently measured at amortized cost using the effective interest rate method.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

1.16.3. Trade and other payables:

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

1.17. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

1.18. Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' and applied the standard to its existing lease contracts using the modified retrospective approach under which the ROU Asset is measured based on the remaining lease payments.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

1.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

1.20. Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

1.21. Earnings per Share

Basic earnings per share have been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

1.22. Dividends

In view of the stressed financial position, the Directors have not recommended payment of dividend for the year 2023-24.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

2. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Land	Buildings	Plant & Equipment	Furniture and fixtures	Vehicles	Office Equipment	Electrical Equipment	Tools & Equipment	Lab Equipment	Total	Intangible Assets	Total of PPE and Intangible Assets	Capital Work-in Progress
Year ended March 31, 2023													
Gross carrying amount													
Cost as at April 1, 2022	27,507.60	13,311.15	60,766.96	174.58	653.34	169.04	503.75	100.54	140.85	103,327.81	483.34	103,811.15	89.66
Additions	-	-	285.96	2.30	28.43	3.15	2.14	14.95	1.94	338.87	-	338.87	285.91
Additions due to Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-
Addition due to Reclassification of Stock in Trade	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposal/reversal	(189.63)	(97.24)	(21.92)	(0.77)	(61.58)	(0.10)	(1.14)	(0.98)	-	(373.36)	-	(373.36)	(338.88)
Closing gross carrying amount	27,317.97	13,213.91	61,031.00	176.11	620.19	172.09	504.75	114.51	142.79	103,293.32	483.34	103,776.66	36.69
Accumulated depreciation													
Opening accumulated depreciation	-	5,995.55	34,624.71	155.69	575.24	158.75	463.45	92.78	129.27	42,195.44	459.17	42,654.61	-
Depreciation charged during the year	-	401.50	1,937.27	5.51	15.13	1.64	3.19	1.54	2.00	2,367.78	-	2,367.78	-
Disposals	-	-	(21.36)	(0.73)	(55.10)	(0.10)	(1.41)	(0.98)	-	(79.68)	-	(79.68)	-
Closing Accumulated depreciation	-	6,397.05	36,540.62	160.47	535.27	160.29	465.23	93.34	131.27	44,483.54	459.17	44,942.71	-
Net carrying amount - 31.03.2023	27,317.97	6,816.86	24,490.38	15.64	84.92	11.80	39.52	21.17	11.52	58,809.78	24.17	58,833.95	36.69
Year ended March 31, 2024													
Gross carrying amount													
Cost as at April 1, 2023	27,317.97	13,213.91	61,031.00	176.11	620.19	172.09	504.75	114.51	142.79	103,293.32	483.34	103,776.66	36.69
Additions	-	4.79	171.97	3.33	142.73	6.38	1.91	8.33	0.11	339.55	-	339.55	113.84
Disposal/reversal	-	-	(211.71)	(0.82)	(77.98)	(0.71)	(2.98)	(1.01)	(34.29)	(329.50)	-	(329.50)	(36.69)
Closing gross carrying amount	27,317.97	13,218.70	60,991.26	178.62	684.94	177.76	503.68	121.83	108.61	103,303.37	483.34	103,786.71	113.84
Accumulated depreciation													
Opening accumulated depreciation	-	6,397.06	36,540.62	160.47	535.27	160.29	465.23	93.34	131.27	44,483.55	459.17	44,942.72	-
Depreciation charged during the year	-	333.65	1,941.68	4.53	24.37	1.83	2.56	2.72	0.78	2,312.12	-	2,312.12	-
Disposals	-	-	(170.61)	(0.78)	(64.85)	(0.67)	(2.85)	(0.97)	(31.66)	(272.39)	-	(272.39)	-
Closing Accumulated depreciation	-	6,730.71	38,311.69	164.22	494.79	161.45	464.94	95.09	100.39	46,523.28	459.17	46,982.45	-
Net carrying amount - 31.03.2024	27,317.97	6,487.99	22,679.57	14.40	190.15	16.31	38.74	26.74	8.22	56,780.09	24.17	56,804.26	113.84

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

The fair value measurement will be classified under level 3 fair value hierarchy.

Asset	Valuation technique	Significant unobservable inputs
Freehold land	Market approach	The value of land was determined based on condition, location, demand and supply in and around and other infrastructure facilities available at and around the said plot of land.
		Land which was based on government promoted industrial estates, was appraised on the present fair market value depending on the condition of the said estates, its location and availability of such plots in the said industrial estate.

Information of Revaluation Model

Particulars	31.3.2024	31.3.2023
Opening Balance	22,186.74	23,892.97
Measurement recognized in reserves		
1. Existing Assets	-	-
2. Reclassification of Stock-in-trade to PPE	-	-
3. Net Addition due to Revaluation	-	-
Less: Depreciation	-	-
Less: Disposed / impairment off	-	(1,706.23)
Closing Balance	22,186.74	22,186.74

If land were measured using the cost model, the carrying amounts would be as follows :

Net Book Value	As at 31 st March 2024	As at 31 st March 2023
Cost		
Freehold Land	1,724.15	1,724.15
	1,724.15	1,724.15
Accumulated Depreciation		
Freehold Land	-	-
	-	-
Net Carrying amount		
Freehold Land	1,724.15	1,724.15
	1,724.15	1,724.15

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Capital Work-In-Progress (CWIP) ageing schedule for the year ended 31.03.2024 and 31.03.2023 is as follows:

Particulars	Amount in CWIP for the period of 2023 - 24				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in Progress	113.84	-	-	-	113.84
Total	113.84	-	-	-	113.84

Particulars	Amount in CWIP for the period of 2022-23				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in Progress	36.69	-	-	-	36.69
Total	36.69	-	-	-	36.69

3 Right of Use (ROU)

Carrying value of ROU Assets for the year ended 31.03.2024				31.03.2023		
Particulars	Category of ROU Asset		Total	Category of ROU Asset		Total
	Land & Building	Plant		Land & Building	Plant	
Opening Balance	93.39	-	93.39	29.45	-	29.45
Adjustments due additions / (deletions)	24.93	-	24.93	116.63	-	116.63
Less : Depreciation	52.87	-	52.87	52.69	-	52.69
Closing Balance	65.45	-	65.45	93.39	-	93.39

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The movement in lease liabilities during the year ended 31.03.2024 is as follows:

Particulars	31.3.2024	31.3.2023
Opening Balance	97.25	35.42
Adjustments due to revision in rental agreements	24.94	116.63
Less: Reduction in lease liability	65.98	54.80
Closing Balance	56.21	97.25

The weighted average incremental borrowing rate applied to lease liabilities as at April 01, 2023 is 13%. ₹17,57,375/- (₹13,99,916/-) has been recognized as expense in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
4. Investment Properties		
A. LAND - Cost		
Balance at the beginning of the year	5.28	5.28
Additions / (Disposal)	-	-
Balance at the close of the year (A)	5.28	5.28
B. BUILDING - Cost		
Balance at the beginning of the year	10.25	10.25
Additions / (Disposal)	-	-
Balance at the close of the year	10.25	10.25
Accumulated depreciation		
Balance at the beginning of the year	5.20	4.81
Additions / (Disposal)	0.39	0.39
Balance at the close of the year	5.59	5.20
Net Block (B)	4.66	5.05
Net Block (A) + (B)	9.94	10.33
i) Amounts recognised in profit or loss for investment properties		
Rental income	16.50	16.50
Profit from investment properties before depreciation	16.50	16.50
Depreciation	0.39	0.39
Profit from investment property	16.11	16.11
ii) Leasing arrangements		
Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:		
Within one year	-	16.50
Later than one year but not later than 5 years	-	-
Total	-	16.50
iii) Fair Value		
Investment property	28.44	28.83

Estimation of fair value

The fair values of investment properties have been determined based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, for the location at which the property is located adjusted for the depreciated value of buildings.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
5 Other financial assets (non-current)		
Deposit - maturity more than 12 months	113.00	113.00
Security Deposits	135.17	163.04
Total Other financial assets (non-current)	248.17	276.04
6 Deferred tax assets / (liabilities)		
The balance comprises temporary differences attributable to:		
Depreciation	(5,115.11)	(5,286.68)
Total deferred tax liabilities	(5,115.11)	(5,286.68)
"Set-off of deferred tax assets pursuant to set-off provisions"		
Unabsorbed Depreciation and losses	4,263.76	4,978.94
Others including Disallowance u/s 43B	2,033.59	2,231.09
Total deferred tax assets	6,297.35	7,210.03
Net deferred tax assets / (Liability)	1,182.24	1,923.35

Particulars	Depreciation	Unabsorbed Depreciation and Losses	Others including Disallowance u/s 43B	Minimum Alternate tax credit - (MAT)	Total
Balance as at March 31, 2022	(8,048.20)	7,960.69	3,320.81	1,634.76	4,868.06
Charged/(credited):					
- to profit or loss	(2,761.52)	2,981.75	1,089.72	1,634.76	2,944.71
- to other comprehensive income	-	-	-	-	-
Balance as at March 31, 2023	(5,286.68)	4,978.94	2,231.09	-	1,923.35
Charged/(credited):					
- to profit or loss	(171.57)	715.19	197.50	-	741.12
- to other comprehensive income	-	-	-	-	-
Balance as at March 31, 2024	(5,115.11)	4,263.76	2,033.59	-	1,182.24

Deferred tax asset as shown above has been created, as the Board of Directors of the Company are of the considered view that the Company would be able to generate adequate profits in the immediate future.

7 Other non-current assets		
Land Purchase Advance - paid to Director	-	465.00
Prepaid Expenses	78.88	4.00
Total other non-current assets	78.88	469.00

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
8 Inventories		
Raw material at cost	108.00	-
Work-in-progress at cost	1,792.26	1,473.40
Finished Goods-at Cost / Net Realisable Value	13,825.74	11,973.23
Stock In Trade - Others at Cost	117.30	118.95
Stores & Spares at cost	1,318.55	1,299.03
Total Inventories	17,161.85	14,864.61
9 Trade receivables		
Unsecured and considered good		
Trade receivables	3,065.00	3,963.94
Less : Allowance for credit losses	-	-
Total trade receivables	3,065.00	3,963.94

Note : Includes due from companies / firms where directors are interested
as disclosed in Notes to Financial Statements - Related Party Transactions

Current

Trade Receivables - Considered good - Unsecured	3,065.00	3,963.94
Less: Allowance for expected credit loss	-	-
Trade Receivables - Considered good - Unsecured	3,065.00	3,963.94
Trade Receivables - Credit Impaired - Unsecured	-	-
Less: Allowance for credit impairment	-	-
Trade Receivables - Credit Impaired - Unsecured	-	-

Trade receivables ageing schedule for the year ended as on March 31, 2024

Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed Trade receivables – considered good	-	1,459.75	133.20	297.22	255.23	919.60	3,065.00
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	1,459.75	133.20	297.22	255.23	919.60	3,065.00

Note : Receivables of 2-3 years includes differential GST amounting to ₹239.41 lacs and more than 3 years includes differential GST amounting to ₹864.19 on Alcohol sales receivable from the Customer.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Trade receivables ageing schedule for the year ended as on March 31, 2023							
Particulars	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed Trade receivables - considered good	–	2,218.60	297.11	5.65	508.49	934.09	3,963.94
Undisputed Trade receivables - credit impaired	–	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables - credit impaired	–	–	–	–	–	–	–
Total	–	2,218.60	297.11	5.65	508.49	934.09	3,963.94

Note : Receivables of 2-3 years includes differential GST amounting to ₹508.49 lacs and more than 3 years includes differential GST amounting to ₹595.11 on Alcohol sales receivable from the Customer.

PARTICULARS	31.3.2024	31.3.2023
10 Cash and cash equivalents		
Balances with banks		
- in current accounts	484.09	174.15
- in deposit with banks	–	–
Cash on hand	12.64	14.74
Total cash and cash equivalents	496.73	188.89
11 Bank Balances other than cash & cash equivalents		
Unpaid Dividend accounts	0.40	0.40
Deposits with maturity of more than 3 months but less than 12 months	0.57	0.54
Total bank balances other than cash & cash equivalents	0.97	0.94
12 Other financial assets (current)		
Unsecured, considered good		
Income receivable	603.83	559.25
Interest receivable on Excise Duty Loan	–	27.17
Total Other financial assets (current)	603.83	586.42
13 Current Tax Assets (Net)		
Income tax refund due / TDS / Disputed taxes	60.73	122.67
Total Current Tax Assets	60.73	122.67
14 Other current assets		
Staff and other advance	9.86	13.57
Advance to suppliers	35.40	322.50
Balance with indirect tax authorities	242.01	199.87
Prepaid Expenses	387.61	285.21
Total other current assets	674.88	821.15

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023	
15 Assets classified as held for sale			
Freehold Land			
Opening	–	4,383.49	
Additions during the year	–	–	
Sale during the year	–	(4,383.49)	
Closing Balance	–	–	
Total assets classified as held for sale	–	–	
16 Equity share capital			
i) Authorised equity share capital			
	Number of shares	₹ in lakhs	
Balance as at March 31, 2022	3,70,00,000	3,700.00	
Increase during the year	–	–	
Balance as at March 31, 2023	3,70,00,000	3,700.00	
Increase during the year	–	–	
Balance as at March 31, 2024	3,70,00,000	3,700.00	
ii) Movements in paid-up equity share capital			
Balance as at March 31, 2022	3,31,35,606	3,313.56	
Increase during the year	–	–	
Balance as at March 31, 2023	3,31,35,606	3,313.56	
Increase during the year	–	–	
Balance as at March 31, 2024	3,31,35,606	3,313.56	
iii) Terms and rights attached to equity shares :			
Equity Shares : The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The shareholders have rights in proportion to their shareholding for dividend as well as for assets, in case of liquidation.			
iv) Shareholding of promoter / promoter group:			
Promoter Name	Number of shares	% of Total Shares	% of change during the year
Ms. Rajshree Pathy	1,13,17,313	34.15%	0.00%

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Promoter Group	Number of shares	% of Total Shares	% of change during the year
Mr. Aditya Krishna Pathy	4,88,303	1.47%	0.00%
Ms. Aishwarya Pathy	2,18,674	0.66%	0.00%
M/s. RSCL Properties Private Limited	14,49,331	4.37%	0.00%

v) Details of shareholders holding more than 5% shares in the company

March 31, 2024

Shareholder Name	Number of shares	% holding
Ms. Rajshree Pathy	1,13,17,313	34.15%
	1,13,17,313	34.15%

March 31, 2023

	Number of shares	% holding
Ms. Rajshree Pathy	1,13,17,313	34.15%
M/s.State Bank of India	29,40,599	8.87%
	1,42,57,912	43.03%

PARTICULARS	31.3.2024	31.3.2023
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17 Other Equity

1) Reserves and Surplus

Securities premium reserves	1,560.15	1,560.15
General reserve	7,575.90	7,575.90
Capital reserve	158.70	158.70
Fair value reserve	25,599.20	25,599.20
Retained earnings	(11,713.64)	(13,067.76)
Total reserves and surplus	23,180.31	21,826.20

a) Securities premium reserves

Opening balance	1,560.15	1,560.15
Additions during the year	—	—
Deductions/Adjustments during the year	—	—
Closing balance	1,560.15	1,560.15

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
b) General reserve		
Opening balance	7,575.90	7,575.90
Additions during the year	–	–
Deductions/Adjustments during the year	–	–
Closing balance	<u>7,575.90</u>	<u>7,575.90</u>
c) Capital reserves		
Opening balance	158.70	158.70
Additions during the year	–	–
Deductions/Adjustments during the year	–	–
Closing balance	<u>158.70</u>	<u>158.70</u>
d) Fair value Reserve		
Opening balance	25,599.20	23,892.97
Addition :		
1. Reversal of fair value reserve on disposal / Impairment of PPE	–	1,706.23
Deductions / Adjustments during the year	–	–
Closing balance	<u>25,599.20</u>	<u>25,599.20</u>
e) Retained earnings		
Opening balance	(13,067.76)	(10,389.06)
Net profit/(loss) for the year	1,375.77	(896.87)
Reversal of Fair value reserve on disposal of Property	–	(1,706.23)
Items of other comprehensive income/(loss) recognised directly in retained earnings	–	–
- Remeasurements of post-employment benefit obligation, net of tax	(21.66)	(75.60)
Appropriations / Adjustments	–	–
Closing balance	<u>(11,713.65)</u>	<u>(13,067.76)</u>
i) General reserve: Part of retained earnings was earlier utilised for declaration of dividends as per the erstwhile Companies Act, 1956. This is available for distribution to share holders.		
ii) Retained earnings: Company's cumulative earnings since its formation minus the dividends/capitalisation and earnings transferred to general reserve.		
iii) Securities Premium: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act 2013.		
iv) Capital Reserve: Comprise of amount forfeited on lapse of share warrants, the same is not available for distribution.		
v) Fair Value Reserve : Fair value reserve is credited when property, plant and equipment's are revalued at fair value and debited on retirement or Impairment or disposal of assets. The reserve is utilised in accordance with the requirements of Ind AS 16.		

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
18 Borrowings (non-current)		
Secured		
Term Loans		
From Banks	9,844.50	11,490.07
Debentures		
0.1%, 9,556 (previous year 9,556) Secured, Unlisted, Non-cumulative Redeemable & Non convertible debentures	8,900.23	8,994.71
0.1%, 13,210 (previous year 13,210) Secured, Unlisted, Non-cumulative Redeemable & Optionally convertible debentures	12,491.50	12,652.19
From Other parties :		
Sugar Development Fund	–	4,948.74
Refer Note No.39(1) for terms of the borrowing / reclassification		
Total borrowings (non-current)	31,236.23	38,085.71
19 Provisions		
Provision for employee benefits		
Current		
Leave Encashment	32.05	(6.94)
Gratuity Contribution	147.38	54.59
Total Current Provisions	179.43	47.65
Non-current		
Gratuity Contribution	–	12.74
Total Non-current Provisions	–	12.74
20 Borrowings		
Current - Secured		
Current maturities of long term debt	7,963.63	1,899.44
Total borrowings (Current)	7,963.63	1,899.44
21 Trade payables		
Current		
Total outstanding due of Micro & Small Enterprises - Refer Note No.39(5)	–	675.66
Total outstanding due of creditors other than Micro & Small enterprises	11,804.80	12,895.65
Total trade payables	11,804.80	13,571.31

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Trade payables ageing schedule for the year ended as on March 31, 2024						
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
Outstanding dues of MSME	-	-	-	-	-	-
Outstanding dues of creditors other than MSME	439.22	8,834.78	-	31.46	2,499.34	11,804.80
Total	439.22	8,834.78	-	31.46	2,499.34	11,804.80

Trade payables ageing schedule for the year ended as on March 31, 2023						
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
Outstanding dues of MSME	239.18	436.47	-	-	-	675.65
Outstanding dues of creditors other than MSME	-	10,385.65	92.14	10.74	2,407.12	12,895.65
Total	239.18	10,822.12	92.14	10.74	2,407.12	13,571.30

Note : Trade payable more than 3 years in 2023-24 and 2022-23 represent:

- Provision for committed liability of Goodwill payment to farmers
- Liability on Power Imported from Tamilnadu State Electricity Board against which the State Electricity regulatory commission has issued its order in favour of the company subject to certain procedural compliances.

PARTICULARS	31.3.2024	31.3.2023
22 Other financial liabilities (current)		
Unpaid Dividend	0.40	0.40
Total other financial liabilities (current)	0.40	0.40
23 Other current liabilities		
Advance received from Customers	2,228.51	2,009.10
Statutory dues payables	603.69	1,328.01
Total other current liabilities	2,832.20	3,337.11

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
24 Revenue from operations		
Sale of products	76,162.61	76,469.06
Other operating revenue	202.53	223.24
Total revenue from operations	76,365.14	76,692.30
25 Other income		
Rental Income	30.58	27.77
Interest income	352.81	102.38
Interest on Income Tax Refund	-	4.43
Profit on Sale of Assets	44.91	401.20
Miscellaneous income	222.95	167.09
Excess provisions of earlier years written back	621.89	-
Total other income	1,273.14	702.87
26 Cost of Materials Consumed		
Raw Materials at the beginning of the year	-	-
Add: Purchases	57,581.29	54,130.82
Less: Raw Materials at the end of the year	108.00	-
Total Cost of Materials Consumed	57,473.29	54,130.82
27 Changes in inventories of work-in-progress, Stock-in -Trade and finished goods		
Opening Balance		
Work-In-Progress	1,473.40	1,358.62
Finished Goods	11,973.23	14,747.19
Traded Goods	-	-
Total Opening Balance	13,446.63	16,105.81
Closing Balance		
Work-In-Progress	1,792.26	1,473.40
Finished Goods	13,825.73	11,973.23
Traded Goods	-	-
Total Closing Balance	15,617.99	13,446.63
Total Changes in inventories of work-in-progress, Stock-in -Trade and finished goods	(2,171.36)	2,659.18

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
28 Employee benefit expense		
Salaries, wages and bonus	4,136.01	3,387.60
Contribution to provident and other funds	393.67	138.23
Staff welfare expenses	470.07	397.39
Total employee benefit expense	4,999.75	3,923.22
29 Depreciation and amortisation expense		
Depreciation of property, plant and equipment and Amortisation of intangible assets	2,312.12	2,367.79
Depreciation on right of use assets	52.87	52.69
Depreciation on Investment property	0.39	0.39
Total depreciation and amortisation expense	2,365.38	2,420.87
30 Other expenses		
Consumption of Stores and Spares	1,141.91	1,754.50
Consumption of Packing Materials	665.13	813.48
Power & Fuel	2,075.88	2,106.22
Building rent	21.87	5.96
Repairs:		
Building	168.95	90.90
Machinery	2,384.15	2,225.27
Insurance Premium	233.71	197.82
Licence Fees & Tax	683.96	583.84
Cartage & Freight	421.47	486.12
Payment to Auditors	10.15	8.24
Cost Audit fees	2.27	1.76
Managerial Remuneration	120.20	256.33
Miscellaneous Expenses	2,562.73	2,238.62
Total other expenses	10,492.38	10,769.05
Note 30 (a) Details of payment to auditors		
Payment to auditors		
As auditor:		
Audit fee	9.00	7.00
In other capacities:		
Taxation matters	0.10	-
Certification fees	1.05	1.24
Total payment to auditors	10.15	8.24

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
31 Finance Cost		
Interest expense - Banks	1,304.08	1,345.41
Interest expense - Sugar Development Fund	1,042.48	59.60
Other borrowing costs	26.23	13.75
Total Finance cost	2,372.79	1,418.76
32 Income tax expense		
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
MAT credit reversal - Adoption of New tax regime	-	1,634.77
Refund of earlier years	(18.12)	-
Total current tax expense	(18.12)	1,634.77
Deferred tax		
Decrease / (increase) in deferred tax assets	25.93	4,071.46
Decrease / (increase) in deferred tax liabilities	715.19	(2,761.52)
Total deferred tax expense/(benefit)	741.12	1,309.95
Total Income tax expense	723.00	2,944.71
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	2,106.05	2,073.27
Tax at the Indian tax rate of 25.168% (Previous year - 25.168%)	530.05	521.80
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Adjustment on account of tax rate differences	-	351.46
Adjustment on account of set off of previous year's Capital gains against carry forward Long Term Capital Losses	233.05	-
Adjustment on account of Depreciation / Sale of Assets	177.68	699.91
Adjustment on account of Section 43B	(189.23)	(423.66)
Adjustment on account of other items	(10.43)	160.43
MAT credit of earlier years reversed (not available for carried forward)	-	1,634.77
Refund of earlier years	(18.12)	-
Total Income tax expense	723.00	2,944.71

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)
33 Employee benefit obligations

	March 31, 2024		
	Current	Non-current	Total
Leave Encashment	32.05	-	32.05
Gratuity Contribution	147.38	-	147.38
Total employee benefit obligations	179.43	-	179.43
	March 31, 2023		
Leave Encashment	(6.94)	-	(6.94)
Gratuity Contribution	54.59	12.74	67.32
Total employee benefit obligations	47.65	12.74	60.38

i) Gratuity

The company extends defined benefit plans in the form of gratuity to employees. The Company has formed "RSCL Gratuity Trust" with Life Insurance Corporation of India (LIC) and HDFC Life Insurance Company Ltd. Contribution to gratuity is made to LIC in accordance with the scheme framed by the corporation. The Company has made contribution towards Gratuity based on the actuarial valuation.

ii) Leave Encashment

Leave encashment benefits are provided as per the rules of the company. The liabilities on account of defined benefit obligations are expected to be contributed within the next financial year. The fund is maintained with SBI Life

iii) Defined contribution plans

Contribution to provident fund is in the nature of defined contribution plan and are made to provident fund account maintained by the Government on its account.

iv) Defined Benefit Plan :

(₹ in lakhs)

PARTICULARS	TYPE OF PLAN	Gratuity (Funded)		Earned Leave (Funded)	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023
A. Expense recognised in Income Statement					
1.	Current Service cost	51.68	50.02	63.92	15.21
2.	Past Service cost			12.02	-
3.	Interest expense	84.59	76.16	5.61	-
4.	Interest (Income on plan asset)	(71.70)	(67.62)	(5.53)	-
5.	Net interest	12.89	8.54	0.08	-
6.	Immediate recognition of (gain) / losses	-	-	-	-
7.	Defined Benefits cost included in P&L	64.57	58.56	76.03	15.21
B. Expense recognised in Other Comprehensive Income					
1.	Actuarial (gain) / Losses on DBO				
a)	Due to Experience	81.09	66.69	-	-
b)	Due to Change in Financial Assumptions	17.82	(13.18)	-	-
c)	Due to Change in demographic assumptions	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	TYPE OF PLAN	Gratuity (Funded)		Earned Leave (Funded)	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023
2.	Return on plan assets (Greater) / Less than Discount rate	(69.97)	47.52	-	-
3.	Total actuarial (gain) / loss included in OCI	28.94	101.03	-	-
C. Net Asset / (Liability) recognised in the Balance Sheet					
1.	Present value of benefit obligation	1,223.98	1,130.83	110.90	75.02
2.	Fair value of plan assets	1,076.60	958.51	78.85	73.87
3.	Funded Status (Surplus / Deficit)	(147.38)	(172.32)	(32.05)	(1.15)
4.	Net Asset / (Liability) recognised in Balance Sheet	(147.38)	(172.32)	(32.05)	(1.15)
D. Change in Present value of the obligation during the year					
1.	Present value of the obligation at the beginning of the year	1,130.83	1,050.50	75.02	71.12
2.	Current service cost	51.68	50.03	8.11	5.35
3.	Interest cost	84.59	76.16	5.61	5.16
4.	Past service Cost - Vested benefits	-	-	12.02	-
5.	Benefits paid	(142.04)	(99.36)	(45.12)	(17.06)
6.	Actuarial (gain) / loss on obligation				
a)	Due to Experience	81.09	66.69	53.53	11.26
b)	Due to Change in Financial Assumptions	17.82	(13.18)	1.74	(0.81)
c)	Due to Change in demographic assumptions	-	-	-	-
7.	Present value of obligation at end of the year	1,223.98	1,130.84	110.91	75.02
E. Reconciliation of opening & closing values of Plan Assets					
1.	Fair value of plan assets at the beginning of the year	958.51	932.76	73.87	68.52
2.	Interest Income	71.70	67.62	5.53	4.97
3.	Contributions made	118.46	105.01	-	-
4.	Benefits paid	(142.04)	(99.36)	-	-
5.	Actuarial (gain) / loss on plan assets	69.97	(47.52)	(0.55)	0.39
6.	Fair value of plan assets at the end of the year	1,076.60	958.51	78.85	73.88
F. Actuarial Assumptions					
1.	Discount rate	7.25%	7.25%	6.80%	6.80%
2.	Salary escalation	4.00%	4.00%	4.00%	4.00%
3.	Attrition rate				For service 4 years and below, 18% per annum; For service 5 years and above, 2% per annum
4.	Expected rate of return on plan assets	7.25%	6.80%	6.80%	
5.	Mortality rate				Indian Assured Lives Mortality (2006-08) Ult

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
(iv) Sensitivity analysis		
Projected Benefit Obligation on Current Assumptions	1,223.98	1,130.84
Delta Effect of +1% Change in Rate of Discounting	(63.42)	(53.56)
Delta Effect of -1% Change in Rate of Discounting	71.00	59.93
Delta Effect of +1% Change in Rate of Salary Increase	72.59	61.43
Delta Effect of -1% Change in Rate of Salary Increase	(65.87)	(55.76)
Delta Effect of +1% Change in Rate of Employee Turnover	14.34	13.60
Delta Effect of -1% Change in Rate of Employee Turnover	(15.90)	15.00

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes

Gratuity is payable as per entity's scheme as detailed in the report.

"Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation."

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Weighted Average Duration of the Defined Benefit Obligation is the weighted average of cash flow timing, where weights are derived from the present value of each cash flow to the total present value.

Any benefit payment and contribution to plan assets is considered to occur end of the year to depict liability and fund movement in the disclosures.

Value of asset provided by the entity is not audited by us and the same is considered as unaudited fair value of plan asset as on the reporting date.

In absence of specific communication as regards contribution by the entity, Expected Contribution in the Next Year is considered as the sum of net liability/assets at the end of the current year and current service cost for next year, subject to maximum allowable contribution to the Plan Assets over the next year as per the Income Tax Rules.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Qualitative Disclosures

Para 139 (a) Characteristics of defined benefit plan

"The entity has a defined benefit gratuity plan in India (funded). The entity's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy."

Para 139 (b) Risks associated with defined benefit plan

"Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

Para 139 (c) Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

Para 147 (a)

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
Financial instruments and risk management		
34 Fair value measurements		
Financial instruments by category		
	Amortised Cost	
Financial assets		
Loans - Deposits of more than 12 months	113.00	113.00
Trade Receivables	3,065.00	3,963.94
Cash and cash equivalents and other bank balances	497.70	189.83
Other financial assets	739.00	749.46
Total financial assets	4,414.70	5,016.23
	Amortised Cost	
Financial liabilities		
Borrowings	39,199.86	39,985.14
Trade payables	11,804.80	13,571.30
Other financial liabilities	0.40	0.40
Total financial liabilities	51,005.06	53,556.84

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Asset Value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

ii) Fair value of assets carried at amortised cost.

The carrying amounts of trade receivables, trade payables, loans, deposits, advances, borrowings, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

35 Financial risk management

The company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit risk

Credit risk on deposit is mitigated by depositing the funds in reputed private sector bank.

For trade receivables, the primary source of credit risk is that these are unsecured. The Company sells the products to customers only when the collection of trade receivables is certain and whether there has been a significant increase in the credit risk on an on-going basis is monitored throughout each reporting period. As at the balance sheet date, based on the credit assessment the historical trend of low default is expected to continue. An impairment analysis is performed at each reporting date on an individual basis for major clients. Any recoverability of receivables is provided for based on the impairment assessment. Historical trends showed as at the transition date, 31st March 2017 and 31st March 2018 company had no significant credit risk.

(B) Liquidity risk

Objective of liquidity risk management is to maintain sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- a) all non-derivative financial liabilities, and
- b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)
Contractual maturities of financial liabilities:

	Less than 6 months	6 months to 1 year	Between 1 & 2 years	Between 2 & 5 years	Above 5 years	Total
March 31, 2024						
Non-derivatives						
Long term loans	863.42	7,100.22	2,571.92	14,016.56	14,647.75	39,199.87
Short term Borrowings	-	-	-	-	-	-
Trade payables	9,274.00	-	-	2,530.80	-	11,804.80
Other financial liabilities	0.40	-	-	-	-	0.40
Lease liabilities	28.20	27.93	0.08	-	-	56.21
Total non-derivative liabilities	10,166.02	7,128.15	2,572.00	16,547.36	14,647.75	51,061.28
March 31, 2023						
Non-derivatives						
Long term loans	786.30	1,042.85	2,829.82	15,064.33	20,261.85	39,985.15
Short term Borrowings	-	-	-	-	-	-
Trade payables	11,061.30	-	92.14	2,417.86	-	13,571.30
Other financial liabilities	0.40	-	-	-	-	0.40
Lease liabilities	23.02	24.74	49.49	-	-	97.25
Total non-derivative liabilities	11,871.02	1,067.59	2,971.45	17,482.19	20,261.85	53,654.10
31 March 2022						
Non-derivatives						
Long term loans	19,427.02	739.82	2,003.41	10,102.80	27,051.20	59,324.25
Total non-derivative liabilities	19,427.02	739.82	2,003.41	10,102.80	27,051.20	59,324.25

36 Capital management
(a) Risk management

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)

divided by

Total 'equity' (as shown in the balance sheet).

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

The company's strategy is to maintain an optimal gearing ratio. The gearing ratios were as follows:

	March 31, 2024	March 31, 2023
Net debt	39,200.26	39,985.54
Total equity	26,493.88	25,139.76
Net debt to equity ratio	1.48	1.59

(b) Dividends

The Company has not declared any dividends during the current year and the previous year.

37 Share based payments

a) Employee Stock Option Plan

- i) a) 50% of options due for vesting on each vesting date shall vest on the basis of time i.e. mere continuance of employment as on date of vesting; and
 - b) 50% of options due for vesting on each vesting date shall vest on the basis of achievement of individual key result areas set at the beginning of each financial year preceding the financial year in which the individual vesting date falls.
- ii) Summary of options granted under plan :

	March 31, 2024		March 31, 2023	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
Opening balance	-	-	-	-
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
38 Earnings per share		
a) Basic earnings per share		
Basic earnings/(loss) per share attributable to the equity holders of the Company (Amount in ₹)	4.15	(2.71)
Profit/(loss) attributable to equity holders of the company used in calculating basic earnings per share	1,375.77	(896.87)
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	3,31,35,606	3,31,35,606
b) Diluted earnings per share		
Diluted earnings/(loss) per share attributable to the equity holders of the Company (Amount in ₹)	4.15	(2.71)
Profit/(loss) attributable to equity holders of the company used in calculating basic earnings per share	1,375.77	(896.87)
Adjustments: Used in calculating diluted earnings per share	-	-
Profit attributable to equity holders of the company used in calculating diluted earnings per share	1,375.77	(896.87)
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	3,31,35,606	3,31,35,606

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

PARTICULARS	31.3.2024	31.3.2023
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39 OTHER ADDITIONAL INFORMATION

1. Details of Borrowings :

a) Loans from Lenders

During the year, the company has been regular in repayment of principal and payment of interest to Lenders as per the schedule provided in the Framework Restructuring Agreement (FRA).

b) Loans from Sugar Development Fund (SDF)

The Company had received letter dated 2nd August 2023 from Sugar Development Fund (SDF) stating that the case of restructuring of Ethanol loan of ₹32.45 crore and Co-generation loan of ₹21.10 crore availed by the Company is treated as closed consequent to expiry of validity of Administrative Approval. Therefore, the loan accounts including the normal interest and penal interest have been restated as per terms applicable before restructuring. Further, the entire outstanding loan as on 31.3.2024 has been reclassified from long term borrowings to short term borrowing as current maturities of long term debt.

2. Rate of Interest and Maturity Profile of Long Term borrowings :

	10.00%	0.10%	Total
	TL, WCTL & FITL	OCD & NCD	
	Banks		
2024-25	1,715.85	256.55	1,972.40
2025-26	2,315.37	256.55	2,571.92
2026-27	2,313.45	2,365.47	4,678.92
2027-28	2,370.98	2,461.33	4,832.31
2028-29	2,044.00	2,461.33	4,505.33
2029-30	800.70	13,830.28	14,630.98
Total	11,560.35	21,631.51	33,191.86

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

3. Period and Amount of Continuing Default in respect of Loans and Borrowings

Name of the Lender	Amount of Default (Principal)	Period of Default	Remarks
Sugar Development Fund - Cogen	758.36	From June 2016	Please refer to note no.39(1)(b) for details. Further, the company has proposed to apply for one time settlement and is in the process of arranging funding options.
Sugar - Development Fund - Distillery	2,797.74	From March 2016	
Total	3,556.10		
Sugar - Development Fund	1,906.92	Normal Interest Overdue	
	528.21		
Total	2,435.13		
Grand Total	5,991.23		

4. Security Details for the Borrowings :

- i) Rupee Term Loan (RTL), Tranche A Non-Convertible Debentures (NCDs), Tranche A Optionally Convertible Debentures (OCDs) and Funded Interest Term Loan (FITL) for State Bank of India is secured by:
 - a. First pari passu charge over all fixed assets of the Borrower ("the Company") (except the fixed assets over which an exclusive charge is created in favour of Sugar Development Fund, ICICI Bank Limited and State Bank of India).
 - b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.
 - c. Second pari passu charge over all current assets of the Borrower (except the current assets set out in Section (b) above)
 - d. First pari passu pledge over the Pledged Shares.

"Pledged Shares" means, at the date of the Framework Restructuring Agreement (FRA) ie 12th July 2021, 1,34,73,621 Equity Shares of the Borrower held by the Pledgors (Promoter and Promoter Group) which are pledged to secure the Outstanding Obligations in accordance with the terms of the Share Pledge Agreement, and such additional Equity Shares such that the Pledged Shares shall at all times constitute 100% of the total Equity Shares of the Borrower held by the Promoters at any time.
 - e. Unconditional and irrevocable Personal Guarantee of the Personal Guarantor (Ms.Rajshree Pathy, Promoter / Chairperson of the Company)
 - f. Irrevocable Corporate Guarantee provided by RSCL Properties Private Limited (RPPL), to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no independent rights under the Corporate Guarantee in the event, that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.
 - g. First pari passu charge over the Fixed Deposit amount of ₹108 lakhs.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

- h. First pari passu charge on the following immovable properties:
- A) 80 Cents land situated at TS No. 613/2(Part), TS Ward 10, Krishnarayapuram Village, Coimbatore North Taluk, Coimbatore, Tamil Nadu;
 - B) Land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu;
- i. First ranking exclusive charge on fixed assets of the Borrower situated at the co-generation plant of Unit II situated at Mundiampakkam, Tamil Nadu.
- j. First pari passu charge on all the fixed assets of the Borrower situated at Unit III, which fixed assets shall be charged to State Bank of India and Sugar Development Fund on a pari passu basis.
- k. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udhagamandalam, Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms.Rajshree Pathy, Chairperson / Promoter of the Company.
- ii) Working Capital Term Loans (WCTL) for State Bank of India is secured by:
- a. Second pari passu charge over all fixed assets of the Borrower (except the fixed assets over which an exclusive charge is created in favour of Sugar Development Fund, ICICI Bank Limited and State Bank of India).
 - b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.
 - c. First pari passu charge over all current assets of the Borrower (except the current assets set out in Section (b) above).
 - d. First pari passu pledge over the Pledged Shares.
 - e. Unconditional and irrevocable Personal Guarantee to be provided by the Personal Guarantor.
 - f. Irrevocable Corporate Guarantee to be provided by RPPL, limited to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no independent rights under the Corporate Guarantee in the event that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.
 - g. First pari passu charge over the Fixed Deposit amount of ₹108 lakhs.
 - h. Second pari passu charge on the following immovable properties:
 - A) 80 Cents land situated at TS No. 613/2(Part), TS Ward 10, Krishnaraya Puram Village, Coimbatore North Taluk, Coimbatore, Tamil Nadu;
 - B) Land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu;
 - i. First ranking exclusive charge on fixed assets of the Borrower situated at the co-generation plant of Unit II situated at Mundiampakkam, Tamil Nadu.
 - j. First pari passu charge on all the fixed assets of the Borrower situated at Unit III, which fixed assets shall be charged to State Bank of India and Sugar Development Fund on a pari passu basis.
 - k. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udhagamandalam, Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms.Rajshree Pathy, Chairperson / Promoter of the Company.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

- iii) RTL, Tranche D NCDs, Tranche D OCDs and FITL for Bank of India, UCO Bank and Federal Bank Limited is secured by:
- a. First pari passu charge over all fixed assets of the Borrower (except the fixed assets over which an exclusive charge is created in favour of Sugar Development Fund, ICICI Bank Limited and State Bank of India).
 - b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.
 - c. Second pari passu charge over all current assets of the Borrower (except the current assets set out in Section(b) above).
 - d. First pari passu pledge over the Pledged Shares.
 - e. Unconditional and irrevocable Personal Guarantee to be provided by the Personal Guarantor.
 - f. Irrevocable Corporate Guarantee to be provided by RPPL, limited to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no independent rights under the Corporate Guarantee in the event that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.
 - g. First pari passu charge over the Fixed Deposit amount of ₹108 lakhs
 - h. First pari passu charge on the following immovable properties:
 - A. 80 Cents land situated at TS No. 613/2(Part), TS Ward 10, Krishnaraya Puram Village, Coimbatore North Taluk, Coimbatore, Tamil Nadu;
 - B. Land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu;
 - i. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udthagamandalam, Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms.Rajshree Pathy, Chairperson / Promoter of the Company.
 - j. Second pari passu charge on all fixed assets of the Borrower situated at Unit III.
- iv) WCTL for Bank of India and UCO Bank is secured by:
- a. Second pari passu charge over all fixed assets of the Borrower (except the fixed assets over which an exclusive charge is created in favour of Sugar Development Fund, ICICI Bank Limited and State Bank of India).
 - b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.
 - c. First pari passu charge over all current assets of the Borrower (except the current assets set out in Section (b) above).
 - d. First pari passu pledge over the Pledged Shares.
 - e. Unconditional and irrevocable Personal Guarantee to be provided by the Personal Guarantor.
 - f. Irrevocable Corporate Guarantee to be provided by RPPL, limited to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no independent rights under the Corporate Guarantee in the event that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.
 - g. First pari passu charge over the fixed deposit amount of ₹108 lakhs.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

- h. Second pari passu charge on the following immoveable properties:
 - A. 80 Cents land situated at TS No. 613/2(Part), TS Ward 10, Krishnaraya Puram Village, Coimbatore North Taluk, Coimbatore, Tamil Nadu;
 - B. Land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu; and
 - i. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udhagamandalam, Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms.Rajshree Pathy, Chairperson / Promoter of the Company
 - j. Second pari passu charge on all fixed assets of the Borrower situated at Unit III.
- v) RTL, Tranche B OCDs, Tranche B NCDs and FITL for ICICI Bank Limited is secured by:
- a. First pari passu charge over all fixed assets of the Borrower (except the fixed assets over which an exclusive charge is created in favour of Sugar Development Fund, ICICI Bank Limited and State Bank of India).
 - b. First pari passu charge over the cogeneration Receivables of Unit II and Unit III.
 - c. Second pari passu charge over all current assets of the Borrower (except the current assets set out in Section (b) above).
 - d. First pari passu pledge over the Pledged Shares.
 - e. Unconditional and irrevocable Personal Guarantee to be provided by the Personal Guarantor.
 - f. Irrevocable Corporate Guarantee to be provided by RPPL, limited to the extent of the Value of the Pledged Shares held by RPPL. It is further clarified that the Secured Parties shall have no independent rights under the Corporate Guarantee in the event that they are able to enforce their rights and recover the Value of the Pledged Shares under the Share Pledge Agreement.
 - g. First pari passu charge over the fixed deposit amount of ₹108 lakhs
 - h. First pari passu charge on the following immovable properties:
 - A. 80 Cents land situated at TS No. 613/2(Part), TS Ward 10, Krishnaraya Puram Village, Coimbatore North Taluk, Coimbatore, Tamil Nadu;
 - B. Land and building (Bio Control Unit at Unit 1) situated at Gullapuram Village, Periyakulam Taluk, Theni District, Tamil Nadu;
 - i. First ranking exclusive charge on the following immovable properties:
 - A. 7.295 Acres Land at Pallipuram Village, Allepey District, Kerala; and
 - B. Registered Office (Uffizi) of the Borrower in Coimbatore, Tamil Nadu.
 - j. First pari passu charge on non-agricultural land admeasuring 1 acre and cents 15-1/6 in Udhagamandalam, Tamil Nadu (including the building with a built-up area of 300 sq. ft.), belonging to Ms.Rajshree Pathy, Chairperson / Promoter of the Company.
 - k. Second pari passu charge on all fixed assets of the Borrower situated at Unit III.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

vi) RTL, Tranche C NCDs, Tranche C OCDs and FITL from Axis Bank Limited.

All the loans / facilities availed from the Axis Bank Limited have been repaid during the year, subject to Right of Recompense as per Axis Bank Sanction Letter dated 30-06-2021.

vii) Term Loan - SDF :

Term loan SDF aggregating to ₹5,991.23 lakhs as on 31.3.2024 are secured by First Pari passu charge on the Fixed / Immovable assets of unit III (sugar, Cogeneration and Distillery).

PARTICULARS	31.3.2024	31.3.2023
5) The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under:		
Principal amount due and remaining unpaid	-	675.66
Interest due on above and the unpaid interest	-	-
Interest paid	-	5.44
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
6) Capital and other commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for:	-	-
7) Future minimum lease rentals receivables with respect to leased out properties are as under:		
a) Not later than one year	-	16.50
b) Later than 1 year and not later than 5 years	-	-
c) Later than 5 years	-	-
d) Lease receipts recognized in the Statement of Profit & Loss	-	16.50
8) Borrowing costs capitalized	-	2.63
9) Borrowing costs included in Capital Work in progress	-	-

10) Contingent Liabilities not provided for

a) Claims against the company not acknowledged as debt:

- i. In the case of eligibility of exemption on molasses captively consumed and eligibility of cenvat credit availed on molasses procured from other Units in Unit III for the period from April 2013 to March 2014, the Commissioner of Central Excise, Pondicherry has confirmed demand of ₹550.40 Lakhs with interest and penalty of ₹10.00 Lakhs against which the company has preferred an appeal before CESTAT. In the case of eligibility of

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

exemption on molasses captively consumed and eligibility of cenvat credit availed on molasses procured from other Units in Unit III for the period from April 2014 to June 2017, The Commissioner of GST and Central Excise, Chennai has raised a demand of ₹62.84 Crores (Principal - ₹21.67 Crores and Penalty/Interest - ₹41.17 Crores). The company has filed a writ petition before Madras High Court challenging the demand and the case is pending for disposal. With regard to show cause notice for a sum of ₹80.38 lacs relating to April 2012 to June 2012, the Additional Commissioner of GST & Central Excise has issued an order dated 29.09.2023 with a demand of ₹161 lacs (Principal - ₹80.38 lacs and Penalty - ₹80.38 lacs) in addition to appropriate interest on the same. The company has filed an appeal before the Commissioner -Appeal.

- ii. Superintending Engineer (Theni) had issued demand letters to Unit 1 dated 23/05/2019 and 3/08/2019 for ₹ 1,86,92,570/- claiming parallel operation charges for the period from May 2014 to May 2019.
 - a. The Company filed an appeal for all three units ie ,Appeal No 328/2019 before Appellate Tribunal for Electricity, Delhi against any claim of parallel operation charges . On 23/09/2019 the Tribunal by way of interim order directed TANGEDCO not to precipitate the matter any further and posted the matter to 11/11/2019.
 - b. The matter was listed before Registrar, Appeal on 20/01/2020 and at the request of respondents for filing their replies got adjourned to 20/03/2020. The interim order is in force. Because of Covid 19 pandemic only urgent matters are taken up and so the matter is posted to 19/08/2020.
 - c. The Company got two demand notices dated 14.02.2020 levying parallel operation charges for its Unit 2 (Mundiampakkam Village, Villupuram) & Unit 3 (Semmedu Village, Villupuram) of ₹1,34,61,669/- and ₹1,76,61,215/- respectively. As in the aforesaid appeal before APTEL interim order is in force, the Company moved applications in the said appeal bringing to the knowledge of the Tribunal the precipitative actions being contemplated by the TANGEDCO. The applications are pending.
- iii. IFCI Limited, nodal agency of Sugar Development Fund (SDF) has filed an application before Debt Recovery Tribunal (DRT)-1, Chennai against the company claiming ₹4080.44/- lakhs being the loan granted by SDF. The Company filed an application stating the IFCI has no locus standi to file the said application and also that DRT lacks jurisdiction to entertain the said application as the Loan was granted by Govt of India and not by any Bank/Financial Institution. The application was dismissed on 31.01.2024 with applicant was given a period of 3 weeks to file a reply statement. On request, the company was given another opportunity to file its reply statement on 27.02.2024. The Tribunal has issued its ex parte order on 05.03.2024. The company has filed its application, on 04.04.2024, to set aside the ex parte order along with reply statement. The same was taken on record by the registry and posted for hearing on 24.06.2024. The case is pending.
- iv. Recompensate amount payable as per Debt Restructuring Scheme as at the close of the year ending 31.03.2024 is ₹147.56 Crores.
- v. Writ Petition No 32517/2022 before Madras High Court:
 - a. The surplus power generated from Unit 2 has been sold to Third parties from January 2021 onwards. . Based on the Audit note, TANGEDCO has raised a demand notice dated 15.11.2022 on Unit-2 towards Operation & Maintenance charges (O & M Charges) for the period from 1.1.2021 to 31.12.2021, for a value of ₹4,40,43,550. Aggrieved by the demand, the company filed a writ before the Madras High Court for granting the interim relief and the Court has granted Interim stay.
 - b. Subsequently, the company has received a communication from TANGEDCO on 5/10/2023 that Audit note has been withdrawn and requested the company to withdraw the writ filed. The amount paid of

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

₹44,04,355/- was informed to be adjusted in installments against import bills of unit 2 payable to TANGEDCO.

- c. The writ will be withdrawn once the case is listed for hearing.
- vi. Writ appeal in division bench of Madras High Court - Fixation of additional cane price under clause 5A of Sugar (Control) Order 1966.

SISMA filed a writ appeal against the single Judge order on the subject of fixation of additional cane price under clause 5A for the period 2004-05 to 2008-09. Division Bench has dismissed our writ appeal. SISMA sought opinion from the Senior Advocate for filing Special Leave Petition before Supreme Court (SC). He advised that since the subject matter is long pending, SC may issue directions which may increase the financial burden on the mills. Hence, it was decided that members may write to Commissioner of Sugar in a common format seeking 5A price update and showing overall excess payment made, just to place everything on record. Accordingly, the Company has submitted the data in a common format to Commissioner of Sugar on 27.03.2024.

11) Income Tax assessments have been completed up to Assessment year (AY) 2018-19.

Disallowances made in the order of assessment for the AY 2017-18, purely technical in nature, have been disputed in appeal before the appellate authorities.

A Demand of ₹20.21 lakhs has been raised for the AY 2017-18 and the entire amount has been paid as Appeal Deposit / adjusted against refund due of subsequent years. Disputed taxes are appealed before concerned appellate authorities. It is advised that the cases are likely to be disposed of in favour of the Company and hence no provision is considered necessary therefor.

- 12) In terms of Ind AS-36, the company had carried out an exercise to ascertain the impairment, if any, in the carrying values of its Fixed assets. The exercise has not revealed any impairment of assets.

13) Non-Convertible Debentures

The redemption amount payable, as per Framework Restructuring Agreement, as on 31st March 2024 has been at ₹95.86 lacs.

14) Optionally Convertible Debentures

The redemption amount payable as per aforesaid agreement as on 31st March 2024 has been at ₹160.69 lacs.

15) Equity Shares

As per terms of the Debt Restructuring plan approved by the lenders and in terms of provision in Framework Restructuring Agreement (FRA) executed on 12th July 2021, the company has allotted 49,67,926 equity shares to lenders.

The promoters issued NOCs to State Bank of India, Bank of India, Axis Bank Limited and Federal Bank Limited for selling the shares allotted to them in the open market. As on 31st March 2024, the lender banks sold 40,19,957 (12.13%) shares in the open market out of the aforesaid allotted shares

16) CSR Activities

Gross amount required to be spent by the company during the year - NIL

Amount spent by the company during the year - NIL

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

17) Transactions with Related Parties (₹ in lakhs)

Particulars	Key Management Personnel	Relatives of Key Management personnel	Other Related Parties
Purchase of Goods			
Greenplus Manures LLP			26.77 (24.80)
Rajshree Biosolutions LLP			69.94 (48.86)
Rajshree Spinning Mills Limited			27.10 (26.29)
CAI Auto Industries Private Limited			50.72 (8.54)
Other Parties		23.42 (25.09)	17.79 (29.87)
Sale of goods			
Rajshree Biosolutions LLP			10.51 (10.45)
Remuneration paid*			
Mr. R. Varadarajan			
- Short term Employment Benefits	120.20 (256.33)		
- Post Employment Benefits	- (-)		
Mr.C.S.Sathiyarayanan			
- Short term Employment Benefits	31.44 (30.42)		
- Post Employment Benefits	0.22 (0.22)		
Other party			
- Short term Employment Benefits	16.10 (13.24)		
- Post Employment Benefits	0.22 (0.22)		
Sitting fee paid			
Mr.R.Varadarajan	2.80 (3.00)		
Ms.Rajshree Pathy	2.00 (2.00)		
Dr.P.Surularayanasami	-(2.00)		
Mr.Sheilendra Bhansali	2.80 (3.00)		
Mr.K.Ilango	2.80 (3.00)		
Mr.S.Vasudevan	2.10 (3.00)		
Mr.S.Krishnaswami	2.00 (2.00)		

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

Particulars	Key Management Personnel	Relatives of Key Management personnel	Other Related Parties
Receiving of Services			
Major Corporate Services (India) LLP			375.42 (347.38)
Other Parties			0.45 (0.24)
Services Rendered			
Rajshree Biosolutions LLP			0.79 (0.26)
Lease rent received			
Rajshree Biosolutions LLP			20.29 (19.79)
Lavik Estates Limited			3.34 (3.08)
Other Parties			1.66 (1.76)
Bio-fertiliser received for supply to farmers of the company (less returns)			
Rajshree Biosolutions LLP			261.01 (200.70)
Purchase of uniform cloth materials			
The Lakshmi Mills Company Limited			11.06 (11.00)
Outstanding as at 31st March 2024			
Payable	- (-)	4.06 (3.12)	139.25 (183.66)
Receivable	- (465.00)	-(-)	2.65 (7.51)

* Calculated as per the provision of Section 17(1) of the Income Tax Act, 1961

Notes:
Names of Related parties and description of relationship

- a) Holding Companies: None
- b) Subsidiaries: None
- c) Fellow Subsidiaries: None
- d) Associates: None
- e) Key Management Personnel (KMP) :
 - i) Ms.Rajshree Pathy, Chairperson
 - ii) Mr.R.Varadarajan, Wholetime Director
 - iii) Dr.P.Surulinarayanasami, Director (till 30th October 2022)
 - iv) Mr.Sheilendra Bhansali, Independent Director

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

- v) Mr.K.Ilango, Independent Director
 - vi) Mr.S.Vasudevan, Independent Director
 - vii) Mr.S.Krishnaswami, Independent Director
 - viii) Mr.C.S.Sathiyarayanan, Chief Financial Officer
 - ix) Mr.M.Ponraj, Company Secretary
- f) Relatives of KMP:
- i) Ms.Aishwarya Pathy (Daughter of Chairperson)
 - ii) Mr.Aditya Krishna Pathy (Son of Chairperson)
- g) Enterprises over which KMP or their relatives are able to exercise significant influence:
- i) Lavik Estates Limited
 - ii) Rajshree Spinning Mills Limited
 - iii) Raj Fabrics and Accessories (Cbe) Limited
 - iv) The Lakshmi Mills Company Limited
 - v) RSCL Properties Private Limited
 - vi) Lavik Holdings Private Limited
 - vii) Argead Enterprises Private Limited
 - viii) COCCA Art & Design Institute Private Limited
 - ix) Aloha Tours & Travels (India) Private Limited
 - x) Sri Krishna Potable Products Private Limited
 - xi) CAI Auto Industries Private Limited
 - xii) Greenplus Manures LLP
 - xiii) Major Corporate Services (India) LLP
 - xiv) Rajshree Biosolutions LLP
 - xv) Petal Home LLP
 - xvi) G.V.Memorial Trust

18. Additional Regulatory Information:

- (a) The title deeds in respect of self-constructed buildings and title deeds of all other 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 the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (c) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets during the year.
- (d) The Company has not given any Loans or advances in the nature of Loans to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- (e) The Company does not have any intangible assets under development as at 31/03/2024 and as at 31/03/2023.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

- (f) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Register of Companies (ROC) beyond the statutory period.
- (g) As per the information available with the Company, the Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- (h) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).
- (i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (j) The Company does not have any transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (k) The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- (l) The Company does not have any downstream investments in the form of subsidiary, joint venture and associate companies.
- (m) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

19) The following are analytical ratios

Particulars	Numerator	Denominator	31.03.2024			31.03.2023			
			Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	% Variance
1 Current Ratio	Current Assets	Current Liabilities	22,063.99	22,836.60	0.97	20,548.62	18,903.65	1.09	-11.12%
2 Debt-Equity ratio	Total Debt	Shareholders Equity	39,200.26	26,493.88	1.48	39,985.54	25,139.76	1.59	6.97%
3 Debt Service coverage Ratio	Earnings available for debt service	Debt Service	5,054.04	9,069.40	0.56	2,872.02	5,056.10	0.57	-1.90%
4 Return on Equity(ROE)*	Net Profits after taxes	Average Shareholder's Equity	1,375.78	25,816.82	5.33	(896.87)	25,625.99	-3.50	252.26%
5 Inventory Turnover Ratio	Sales	Average Inventory	76,365.14	13,016.48	5.87	76,692.30	13,626.94	5.63	4.24%
6 Trade Receivables Turnover Ratio	Revenue	Average Trade Receivable	76,365.14	3,514.47	21.73	76,692.30	3,503.72	21.89	-0.73%
7 Trade Payables Turnover Ratio	Purchases	Average Trade Payables	61,483.73	12,688.05	4.85	58,874.44	14,933.91	3.94	22.92%
8 Net capital turnover ratio**	Revenue	Working Capital	76,365.14	(772.60)	(98.84)	76,692.30	1,644.96	46.62	-312.00%
9 Net profit ratio ***	Net Profit	Revenue	1,375.78	76,365.14	1.80	(896.87)	76,692.30	-1.17	254.06%
10 Return on Capital Employed(ROCE)	Earning before interest and taxes	Capital Employed	3,410.14	64,511.90	0.05	3,418.68	63,201.95	0.05	-2.28%
11 Return on Investment	-	-	-	-	-	-	-	-	-

*Increase in Profit in COGEN division during the year.

**Due to the cancellation of SDF restructuring, the entire borrowings from SDF has been reclassified to Current Maturities of Long Term Debt. Hence, the working capital has turned negative.

***Increase in Profit in COGEN division during the year.

20) Relationship with Struck-off Companies

Name of Struck off Company	Nature of transactions	Transactions during the year March 31, 2024	Balance outstanding at the end of the year as at March 31, 2023
There are no transactions / Receivables / Payables with Struck Off companies	Nil	-	-

NOTES TO THE FINANCIAL STATEMENTS (₹ in Lakhs)

21) Information about segment: Primary segment – Business segments.

Particulars	31.3.2024					31.3.2023				
	Sugar	Cogen	Distillery	Others	Total	Sugar	Cogen	Distillery	Others	Total
REVENUE										
External Sales	53,984.47	7,617.25	14,763.42	-	76,365.14	57,395.61	6,382.43	12,914.26	-	76,692.30
Inter-segment Sales	6,710.94	3,685.12	-	-	10,396.06	5,642.30	3,458.73	-	-	9,101.03
Total Revenue	60,695.41	11,302.37	14,763.42	-	86,761.20	63,037.91	9,841.16	12,914.26	-	85,793.33
RESULT										
Segment result	(5,928.87)	6,478.07	4,807.46	-	5,356.66	(4,656.97)	5,400.95	3,796.52	-	4,540.50
Unallocated corporate exps.					877.82					1,048.47
Operating Profit					4,478.84					3,492.03
Interest Expenses					2,372.79					1,418.76
Interest Income					-					-
Income Taxes / Deferred tax					730.28					2,970.14
Profit after tax					1,375.77					(896.87)
Extraordinary loss / profit - Net					-					-
Net Profit / (loss)					1,375.77					(896.87)
OTHER INFORMATION										
Segment assets	57,443.11	11,268.12	10,673.30	-	79,384.53	57,097.13	12,496.10	10,674.79	-	80,268.02
Unallocated corporate assets					1,182.24					1,923.35
Total Assets					80,566.77					82,191.37
Segment liabilities	44,886.98	1,660.65	7,525.27	-	54,072.90	49,764.01	1,258.47	6,029.13	-	57,051.61
Unallocated corporate liabilities					26,493.87					25,139.76
Total Liabilities					80,566.77					82,191.37
Capital Expenditure	292.61	40.90	6.04	-	339.55	208.48	130.20	0.19	-	338.87
Depreciation	1,074.28	516.15	774.95	-	2,365.38	1,098.48	772.21	550.17	-	2,420.86
Non-cash expenses other than depreciation					-					-

The Company operates wholly within the geographical limits of India. Revenue from sales to customers outside India is / was nil in the current and previous years. Hence, disclosures on geographical segments are not applicable.

22) Previous year figures have been regrouped wherever necessary to confirm to current year's classification.

Material Accounting Policies Note No. 1
See accompanying notes to the financial statements
As per our report of even date
For S. Krishnamoorthy & Co.,
Chartered Accountants
Registration No.001496S

V. Indira
Membership No:200817
Auditor, Partner

Place : Coimbatore
Date : 22nd May 2024

Sheilendra Bhansali
Independent Director
DIN 00595312

C S Sathiyarayanan
Chief Financial Officer

R Varadarajan
Wholetime Director
DIN 00001738

M Ponraj
Company Secretary



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