



2nd September 2023

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051

Dept. of Corporate Service
BSE Limited
P. J. Towers, Dalal Street
Mumbai – 400 001

NSE Symbol: **RENUKA**

BSE Scrip Code: **532670**

Sub: Annual Report 2022-23 - Regulation 34(1)(a) of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith a copy of the Annual Report for the financial year 2022-23.

Further, the said Annual Report is available on the website of the company at www.renukasugars.com.

You are requested to kindly take the above on record.

Thanking you,

Yours faithfully,
For **Shree Renuka Sugars Limited**

Deepak Manerikar
Company Secretary

Encl: As above

Shree Renuka Sugars Limited

Corporate Office: 7th Floor • Devchand House • Shiv Sagar Estate • Dr. Annie Besant Road • Worli Mumbai 400 018 • Maharashtra • India

P +91 22 2497 7744/4001 1400 **F** +91 22 2497 7747 **E** info@renukasugars.com

Registered Office: 2nd / 3rd Floor, Kanakshree Arcade, CTS No. 10634, JNMC Road, Nehru Nagar, Po: Belagavi- 590 010 • Karnataka • India

P +91 831 2404000 **F** +91 831 2404961

W www.renukasugars.com • Corporate Identification No.: L01542KA1995PLC019046



Responsible Resurgence

Annual Report
2022-23



Shree Renuka Sugars Limited
A Wilmar Subsidiary

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about us



Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Our growth over the years has been powered by a relentless drive to combine responsible practices with sustainable choices. The growth will now be driven by our strength in sugar production and our increased ethanol production capacities.

At every step, a deep sense of responsibility has been reflected by our financial performance, manufacturing excellence, quality control measures and innovative approach to fuel the demand for green energy.

With the adoption of new-age technology, focus on resource efficiency and optimum value creation, we have resolutely tackled uncertainties. By capitalising on emerging opportunities in the operating landscape, we have remained

at the forefront of change – powering a responsible resurgence and strengthening our commitment to generate value for our stakeholders and enhance contributions towards a sustainable future.

About Us

A photograph of a sugarcane field at sunset. The sun is low on the horizon, creating a warm, golden glow that silhouettes the tall sugarcane stalks. The leaves are long and narrow, with some showing signs of being cut. The overall mood is peaceful and natural.

Responsibly building our future

Among the largest sugar and ethanol producers in the country, Shree Renuka Sugars has established itself as a reputed agribusiness and bio-energy corporation with a strong presence across the value chain of sugar production.

From raw sugar refining to ethanol production and power generation from bagasse, we cater to diverse

segments of the industry. Leveraging our strategic location in India's sugarcane belt as well as refineries located in eastern and western ports. We optimise operations and ensure exceptional quality of our products. We also maintain a strong commitment towards sustainability through our focus on bioenergy and green power.

Year under review

15%

Increase in Madhur sales

46%

Increase in raw sugar melting

19%

Increase in ethanol production

12%

Increase in power generation

196*
Million litres

Highest ever ethanol production

11%

Increase in power exports

*Ethanol includes all Distillery products.

Sugar Business Overview

As a prominent player in the Indian sugar industry, we have established a comprehensive and interconnected business model. Our strategically positioned facilities in the flourishing sugarcane belts, coupled with our sugar refineries situated along the Eastern and Western coasts of India, empower us to deliver quality products to the market.

We have adopted a unique approach of operating sugar manufacturing assets on lease. Our fully integrated sugar mills have state-of-the-art infrastructure, enabling us to efficiently process sugarcane and produce sulphur-free sugar. This commitment to excellence allows us to consistently offer our customers exceptional quality products.

Refinery production

Production has been remarkable during the year under review, cementing our position as a leading player in the industry. Our refineries efficiently operate with a blend of domestic and imported raw sugar. We have achieved a phenomenal growth in the refinery segment, showcasing the strong demand for our refined sugar products. Raw sugar melting has increased by 46%. Dispatches have also witnessed a substantial growth of 19%, demonstrating our ability to reach a wider customer base. This year's performance exemplifies our commitment to operational excellence and strategic decision-making, thereby positioning us for continued success in the refinery segment.

Refineries (TPD)

3,000

Kandla refinery

2,500

Haldia refinery

Cane crushing

Sugarcane crushing in FY2023 was impacted due to adverse weather conditions, resulting in a 7% reduction in cane crushing in comparison to the previous year. Despite these challenges, we managed to achieve total cane crushing volume of 5.25 million MT.

52,52,243

Cane crushed (MT)



Sugar production

Although sugar production experienced a marginal decrease of 7%, in line with the cane supply ratio, we successfully leveraged market dynamics to strategically export sugar and take advantage of higher prices. Despite the early closure of mills, our sugar recovery rate saw only a marginal decline of 0.10%.

431,167 MT

Sugar Production (excluding sugar sacrificed for ethanol)

Madhur brand

Our flagship brand, Madhur, has established itself as a market leader in various parts of the country. This year, we witnessed 15% increase in Madhur's sales, reiterating our focus on stronger marketing and sales support. From local stores to leading supermarket chains across the country, Madhur has become a household name.

To cater to a larger number of customers in Northern and Eastern India, we have partnered with two large sugar mills in Uttar Pradesh for packaging of Madhur Sugar. The exceptional growth trajectory of Madhur Sugar is evident from the impressive sales growth of 21% compound annual growth rate (CAGR) over the past five years. In fact, our sales have more than doubled in the last five years, demonstrating a growing preference for the Madhur brand.

With sales exhibiting a remarkable CAGR since 2018-19, we remain focused on delivering superior quality products, expanding our reach, and consolidating our position as an industry leader.



Sugar Units (TCDs)

10,000

Athani

10,000

Munoli

7,500

Havalga

6,000

Panchaganga

2,500

Raibag

1,500

Pathri



**Certified by Euromonitor
International Madhur
sugar is the largest selling
sugar brand in India.**

Ethanol – Paving the way for a sustainable future

The Indian Government's commitment of promoting ethanol as a renewable fuel source has resulted in the development of an extensive ethanol blending programme. It aims to achieve 20% ethanol blending in fuel by 2025.

Growth drivers for ethanol production



Availability of raw material

Ethanol is produced from sugarcane juice/syrup, B-heavy molasses, C-heavy molasses, damaged food grains/maize, surplus rice from FCI, and grains. Sugarcane still forms the primary choice of raw material for producing ethanol in India.





Improving ethanol infrastructure

To facilitate the widespread adoption of ethanol-blended fuels, the government has taken steps to establish E20 fuel dispensing pumps across the country. Currently, around 1900 E20 fuel dispensing pumps have been inaugurated across the country. It not only promotes the usage of ethanol-blended fuels but also establishes a solid foundation for achieving the blending targets in the years ahead.



Efforts to increase supply

Meeting the growing demand for ethanol requires a significant increase in supply. To address this requirement, substantial efforts have been made to augment ethanol production. For the Ethanol Supply Year (ESY) 2021-22, the total supplied quantity increased by 35% compared to the previous year. In ESY 2022-23, Oil Marketing Companies (OMCs) have contracted 5015 million litres of ethanol. As of March 2023, 1749 million litres have been supplied, resulting in a blending percentage of 11.58%.

Certain states have emerged as leaders in ethanol blending, with Maharashtra, Madhya Pradesh, Karnataka, and Andhra Pradesh showcasing remarkable progress and achieving high blending percentages. These states now act as models for gathering valuable insights into best practices for achieving higher blending ratios.



Progress and targets

India has made significant strides in ethanol blending, achieving a blending percentage of 10% in ESY 2021-22. For the current ESY, the government has set a target of 12% blending and the current blending percentage stands at 11.58% till March, 2023. Notably, ethanol derived from sugarcane based sources accounts for 84% of the total ethanol supply. With an ambitious goal of reaching a blending percentage of 20% by 2025, the government remains steadfast in promoting ethanol as a viable alternative fuel.



Promoting innovation and collaboration

The Indian government, in collaboration with various stakeholders, actively promotes innovation and research in the ethanol sector. An excellent example is the collaboration between Hindustan Petroleum Corporation (HPCL) and the Indian Institute of Technology (IIT) Guwahati, resulting in the development of an ethanol-fuelled cooking stove. This initiative explores alternative uses for ethanol, further establishing its value as a sustainable fuel. Additionally, Indian Oil Corporation (IOCL) has formed a joint venture with Lanza Jet and local airlines to produce sustainable aviation fuel (SAF) at its Panipat refinery. These collaborative efforts

highlight the commitment of both the public and private sectors to drive ethanol-based innovations.



Future prospects and vision

Looking ahead, India's ethanol blending programme holds promising prospects for the future. With the government's fixed target of achieving a blending percentage of 20% by 2025, efforts will be intensified to enhance ethanol production, infrastructure, and supply. The continued expansion of distilleries and the establishment of additional E20 fuel dispensing pumps will provide the necessary support to achieve the desired blending targets. With the use of ethanol as an alternative fuel, India's dependence on fossil fuel will be limited and it will pave the path for renewable energy adoption.



Capacity expansion projects by Shree Renuka Sugars

With growing demand for ethanol, the Company undertook capacity expansion projects for Munoli Distillery, from 120 KLPD to 500 KLPD and Athani Distillery from 300 KLPD to 450 KLPD. Commercial production has already commenced in both the plants and it is anticipated to increase ethanol supply and supporting the targets set by the ethanol blending programme.

Ethanol Business Overview

Whether produced directly from cane juice or derived from molasses, our distilleries play a vital role in generating ethanol. This versatile product serves both as potable alcohol and as an additive that can be blended with petroleum.

Our commitment to quality is reflected in the three grades of ethanol we produce at our distilleries:

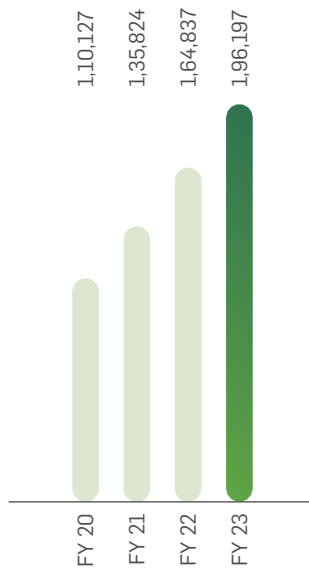
- 1 Absolute Alcohol (AA) or Ethanol for fuel blending
- 2 Extra Neutral Alcohol (ENA)
- 3 Rectified Spirit (RS)

This year, we witnessed remarkable progress in ethanol production, with notable achievements across various fronts.

183,809 MT

Sugar diverted for Ethanol

Ethanol produced*
Quantity (KL)



*Ethanol includes all Distillery products.

Ethanol production

Our alcohol production grew by 19% and sales have also surged by an impressive 20%, indicating strong market preference for our product.

Expansion of distilleries

Our investments to expand ethanol capacity has allowed us to achieve an impressive capacity utilisation rate exceeding 100%. We have successfully completed our Ethanol Expansion Projects, increasing our ethanol production capacity from 720 Kilo liters per day (KLPD) to 1250 (KLPD). Commercial operations have also commenced at the newly established plants, marking a significant milestone for the organisation.

Driven by these efforts, we have achieved highest-ever ethanol production of 196 million liters. The initiatives undertaken by the government, such as the interest subvention scheme and the commitment of car manufacturers to make vehicles E20 compliant by 2023, have created the opportunity to increase the demand for ethanol.

As we move forward, we are keen to use our expertise, state-of-the-art facilities, and robust investment strategies to focus on our growth trajectory in the ethanol sector. Our relentless pursuit of excellence and our efforts to align production targets with government goals position us as a key player in this segment.

Distilleries (KLPD)

450

Athani distillery

500

Munoli distillery

300

Havalga distillery



Cogeneration Business

Our commitment to sustainable growth is demonstrated by our thrust on using energy generated by Baggasse for meeting the bulk of our energy requirements. Excess power generated is also supplied to the grid. Our co-generation capacities help reduce the country's dependence on coal generated power.

By harnessing the energy potential of bagasse, a by-product of sugar manufacturing, our cogeneration power plants generate electricity and steam. It helps to reduce greenhouse gas emissions and promotes a circular economy. We consume a significant portion of the power generated internally and sell the surplus to the state grid, and power exchanges. It also enables us to enhance our contribution to a greener and energy-independent world.

259 MW

Total capacity of power plants

35.5 MW

Munoli

61 MW

Athani

48.5 MW

Havalga

30 MW

Panchaganga

24 MW

Ajinkyatara

45 MW

Kandla

15 MW

Haldia



Power generation and export

As a leading sugar company, we have made significant strides in power generation, bolstering our commitment to sustainable practices. Our dedicated efforts have resulted in 12% increase in power generation and a commendable growth of 11% in power export. With our state-of-the-art facilities

and efficient processes, we have successfully generated an impressive 618 million kilowatt-hours (Kwh) of power. Moreover, our commitment to environmental stewardship extended beyond our own operations as we exported 257 million Kwh of power to the energy grid.

501 MN Kwh
Green Energy Produced



Chairman's Message

“In recent years, the demand for ethanol has continuously increased. Ethanol is playing a crucial role in helping India achieve its goal of carbon neutrality. As a clean fuel, it offers a viable alternative to traditional fossil fuels like crude oil.

”



Dear shareholders,

At Renuka Sugar, we are determined to drive a responsible business. Our continuous emphasis on embracing sustainable practices have enabled us to resiliently overcome challenges and pave the path for relentless value creation. It has successfully rejuvenated our growth trajectory, enabling us to report the highest-ever turnover and EBITDA.

In FY2022-23, our EBITDA (excluding forex gain/loss) increased by 51% and our total income rose by 40%, driven by robust demand for sugar as well as ethanol. We also recorded tremendous performances in terms of total sugar volumes, refinery exports and ethanol sales. However, weakening of the Indian rupee due to stress on US and European banks has had an adverse effect on domestic interest rates. The higher interest burden impacted our profit margins to a certain extent.

In recent years, the demand for ethanol has continuously increased. Ethanol is playing a crucial role in helping India achieve its goal of carbon neutrality. As a clean fuel, it offers a viable alternative to traditional fossil fuels like crude oil. By promoting the use of ethanol, India can reduce its reliance on fossil fuel, lower greenhouse gas (GHG) emissions and mitigate the impact of climate change. Compared to crude oil, ethanol is a more economical and sustainable energy source, making it a preferred choice for consumers and businesses alike.

Moreover, the government's focus on ethanol is also expected to have a positive impact on the country's sugar industry. Ethanol is produced by fermenting sugarcane juice and molasses, a byproduct of sugar production. Therefore, ethanol production will not only reduce India's dependence on crude oil import, but also provide an additional source of revenue for the sugar industry.

In line with the growth of ethanol demand in the country, our production during the fiscal year

“The government's focus on ethanol is also expected to have a positive impact on the country's sugar industry.”

increased by 19% in comparison to the previous year. It has not only positively impacted our revenue but, has also allowed us to improve cash flow. During the fiscal year, we have expanded ethanol capacity from 720 KLPD to 1250 KLPD. Going forward, we seek to explore other opportunities to further enhance our ethanol portfolio.

We also undertook efforts to increase the market share of 'Madhur' sugar, which is consistently growing as a frontrunner in the branded sugar segment. Besides, we are eyeing prospects for exporting our products and improving our footprint in Indian as well as international markets.

At Renuka Sugars, we operate with a strong commitment to sustainability. We recognise the importance of adopting sustainable practices and minimising our environmental impact. Given the energy and water extensive nature of the sugar industry, we have implemented measures to reduce specific water consumption from natural sources. We are also continually working on improving our water management practices. Besides, all our facilities are equipped with zero liquid discharge facilities to strengthen our sustainability initiatives. Additionally, we use a large proportion of energy generated by our cogeneration units for captive consumption. Around 81%

of the energy from our cogeneration process constitutes renewable energy, resulting in a significant reduction in GHG emissions.

We have also collaborated with an international NGO to engage in sustainable sugarcane production in Belagavi and Kalaburgi districts in Karnataka. Its primary objective is to enhance sugarcane yield through an emphasis on training and capacity building. The project aims to achieve this through judicious use of agricultural resources and improved irrigation facilities. Importantly, the initiative is also helping to increase occupational health and safety awareness, primarily among women farmers.

Leveraging the strength of our integrated business model, a dedicated workforce and strategic investments to improve our core capacities, we aim to capitalise on emerging opportunities. Along the way, we also aspire to continuously enhance shareholder value. We remain grateful to all our stakeholders for their continued support for Renuka Sugars. It keeps us well on track to write a new chapter in our journey of growth with responsibility.

Regards,

Atul Chaturvedi
Executive Chairman

Financial Highlights

₹ 86,862 Mn

Revenue from operations
(including incentives and other income)

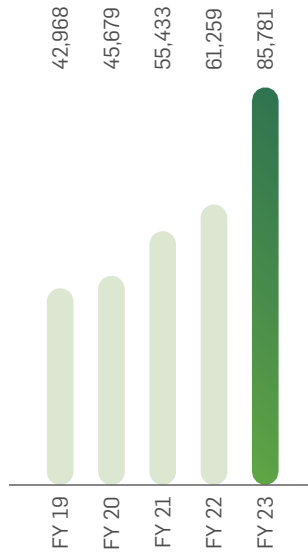
₹ 7,197 Mn

EBITDA
(excluding forex gain/loss)

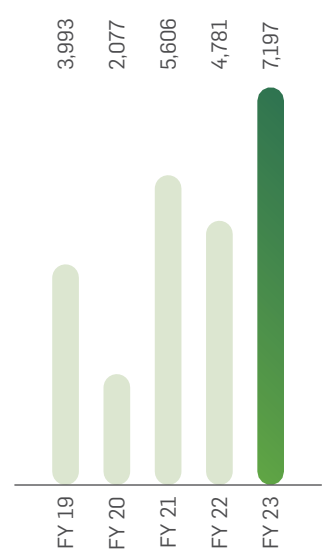
8.39%

EBITDA (excluding forex gain/loss) / total turnover

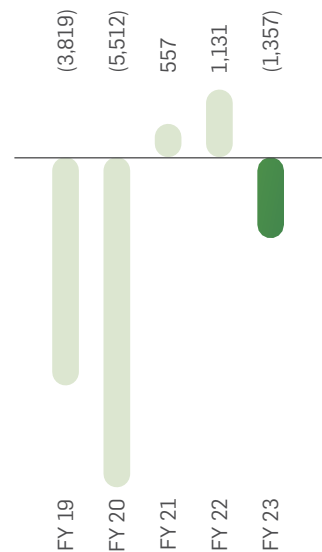
Revenue
(₹ in Million)



EBITDA
(₹ in Million)

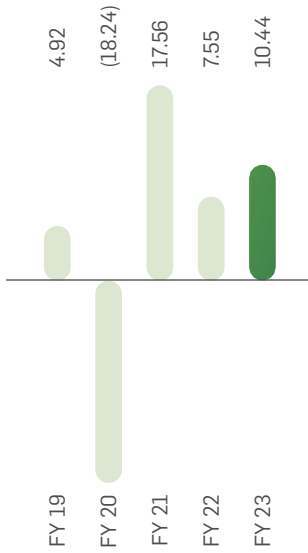


PAT
(₹ in Million)

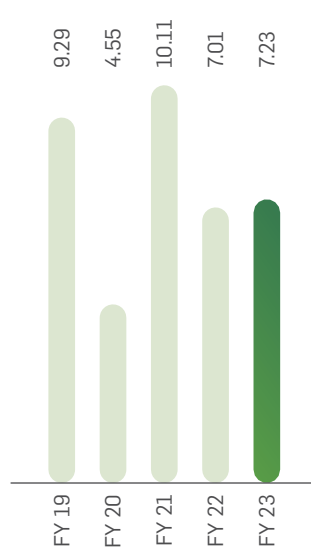


Debt/Equity ratio

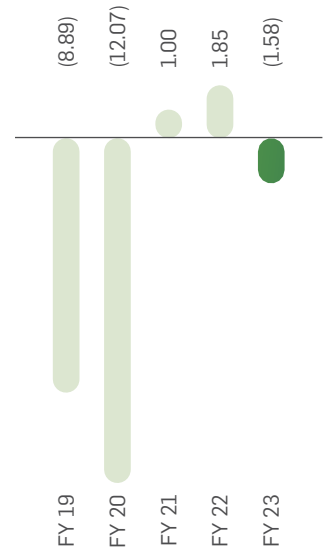
(in times)

**EBITDA margin**

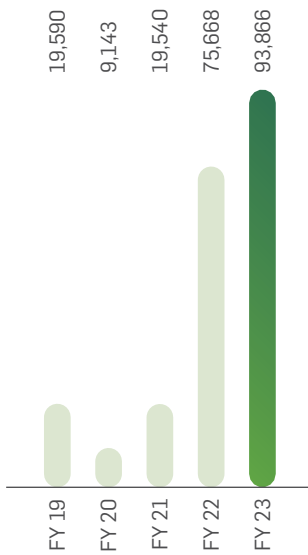
(%)

**PAT Margin**

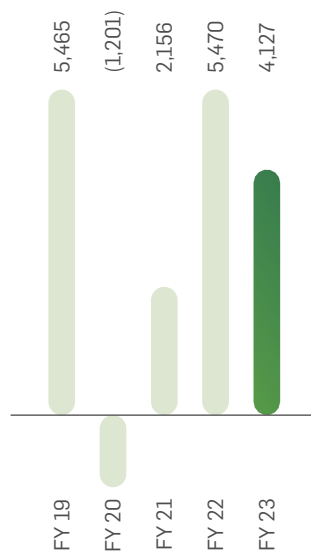
(%)

**Market capitalisation**

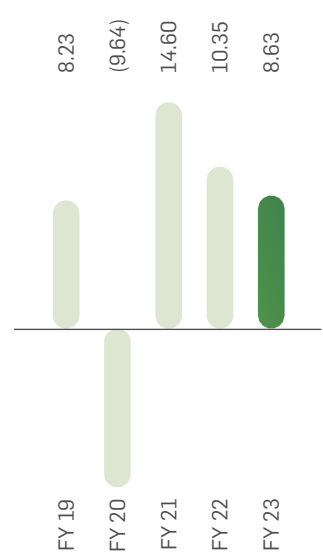
(₹ in Million)

**Net worth**

(₹ in Million)

**ROCE**

(%)



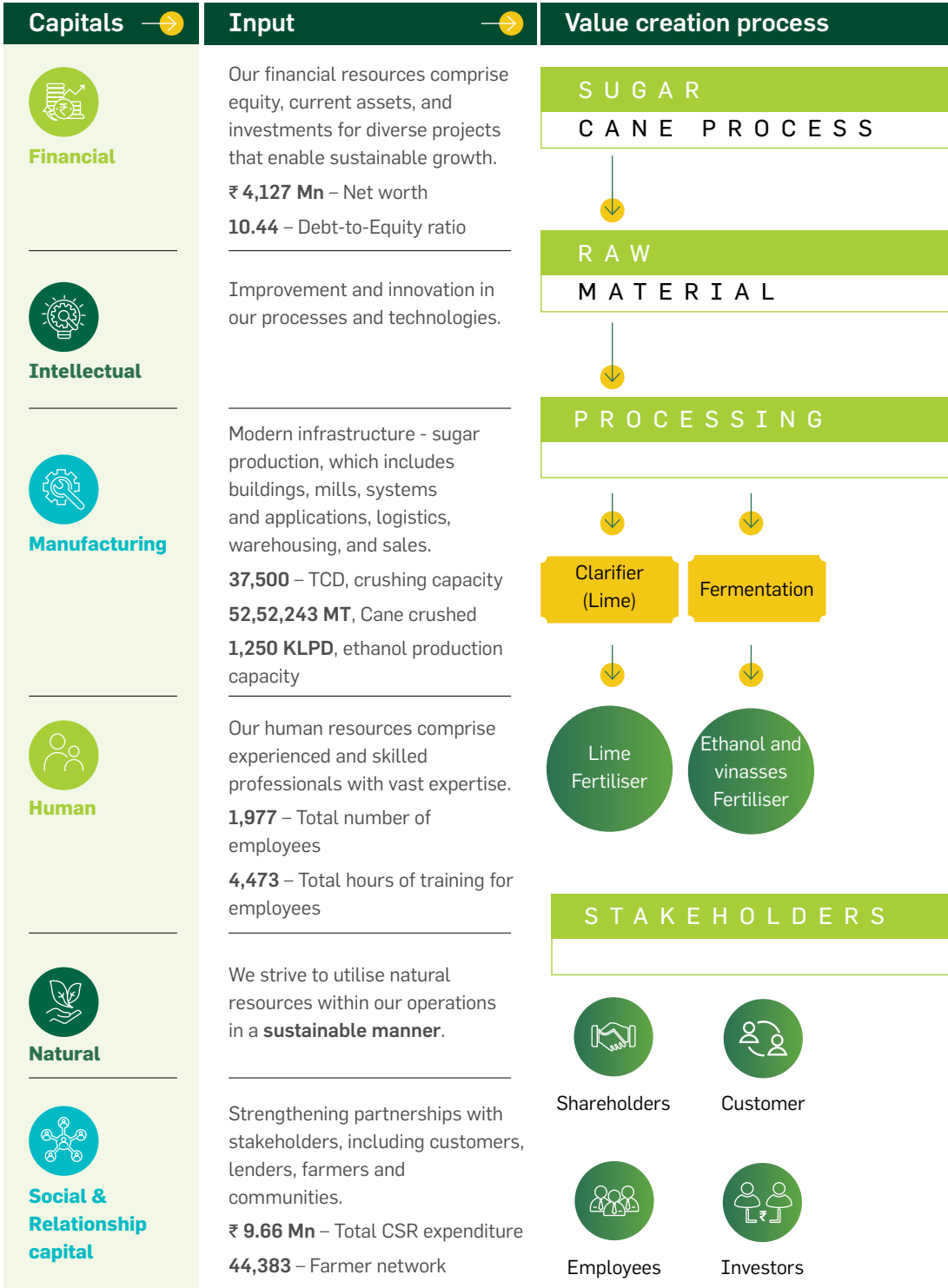
Nurturing an inclusive and value-accretive organisation

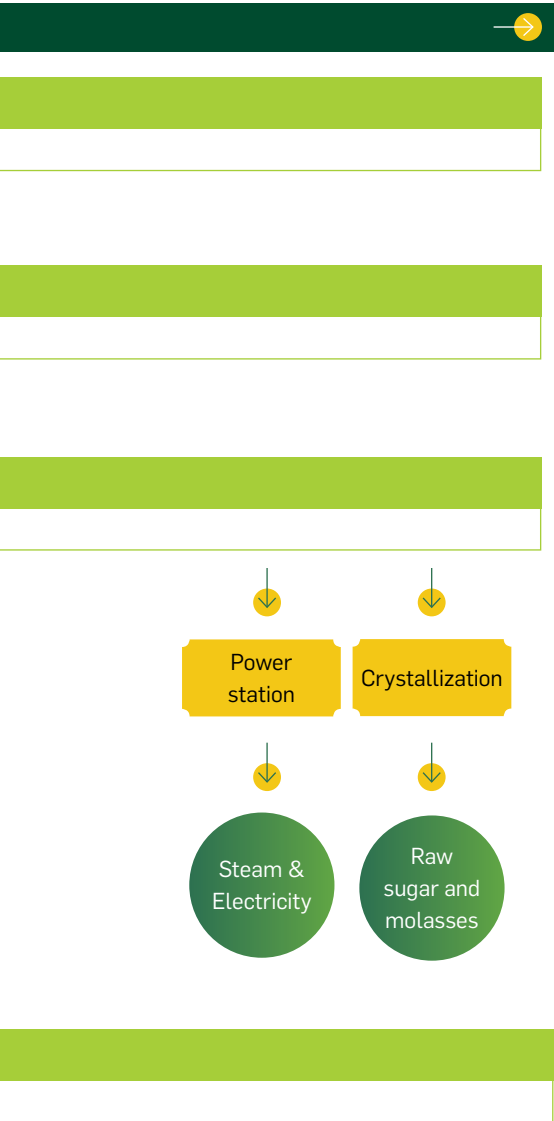
Vision

To be a leading sustainable agribusiness company in food and bioenergy space committed to its customers and farmer community.

Purpose

To be partners in our country's growth by providing sugar and energy security. Also, staying committed to providing greener environment with a focus to generate value for our shareholders and stakeholders which includes farmer community, our employees and customers.





Business partners



Government authorities



Communities

Output

₹ 86,862 Mn

Turnover

₹ (1,357) Mn

PAT

₹ 7,197 Crore

EBIDTA (excluding forex gain/loss)

Madhur is rated largest selling sugar brand in India by Euromonitor International.

Modernisation of our processes improved operational efficiency

4,31,167 MT

Total sugar manufactured

196 Million litres

Total ethanol production

501 Million units

Green energy generated

8

Average years of service

80%

employee retention rate

Building an engaged, diverse and **future-ready workforce**

1,402 MT

Reduction in waste discharge

49,676

Farmers benefitted



Upliftment of women and children

Improvement in healthcare accessibility

Linked SDGs



Responsibly meeting stakeholder expectations

Our Stakeholder	 Shareholders	 Customers
Value Proposition	<p>Retail shareholders as well as institutional investors play an integral role in our success.</p>	<p>End customers of a variety of products, including Madhur (pure and hygienic sugar), ethanol, and co-generation electricity.</p>
Key Concerns	<ul style="list-style-type: none"> • Maximising shareholder value • Regulatory compliance • Corporate governance 	<ul style="list-style-type: none"> • Product availability • Affordability • Active brand engagement
Addressing Stakeholder Concerns	<ul style="list-style-type: none"> • Consistent revenue and profit expansion • Timely resolution of concerns • Reliable dividend payments 	<ul style="list-style-type: none"> • Value for money product • Product information dissemination • Convenient availability of products
Avenues of Engagement	<p>Website, Annual General Meeting, Notices, Press releases, Quarterly Results</p>	<p>Customer surveys, Digital / social media, Customer care, Backend office support for B2B customers</p>



Employees



Their efforts are critical to our company's success. Our people enable us to fulfil various objectives and build a sustainable organisation.

- Skill-building and Progression
- Well-being and Security
- Fair Compensation

- Employee wellness
- Professional development
- Incentives and employee benefits

Email, Intranet, Newsletter, Notice Boards, Programmes and activities on multiple issues, Town-hall, Virtual meetings



Regulators



Changes in rules and regulations are crucial for guaranteeing the long-term viability of business.

- Legislative amendments
- Tax regime alterations
- Trade developments
- Variations in alternative energy tariffs

- Adherence to regulations
- Regular tax contributions
- Corporate citizenship

Meetings with Industry body/ association forums, Participation in government body meetings, Representation before relevant forums



Suppliers/Farmers



Provide us operational clout to optimise the value chain, be cost-competitive in the long-term and surpass customer expectations.

- Ethical supply chain
- Sustainable logistics
- Payment terms

- Ethical and sustainable Practices
- Transparency and continuous communication
- Support for sustainable agricultural practices

Face-to-face meetings, Training camps, Communicating via emails / phone, Timely correspondence, Audits

Madhur brand

Our flagship brand, Madhur, has established itself as a market leader in various parts of the country. This year, we witnessed an exceptional 15% increase in Madhur’s sales, reiterating our focus on stronger marketing and sales support. From local stores to leading supermarket chains across the country, Madhur has become a household name.

Euromonitor

International has recognised Madhur Sugar as the largest selling sugar brand in India

To cater to a larger number of customers in Northern and Eastern India, we have partnered with two large sugar mills in Uttar Pradesh for packaging of Madhur Sugar. The exceptional growth trajectory of Madhur Sugar is evident from the impressive sales growth of 21% compound annual growth rate (CAGR) over the past five years. In fact, our sales have more than doubled in the last five years, demonstrating a growing preference for the Madhur brand.

With sales exhibiting a remarkable CAGR since 2018-19, we remain focused on delivering superior quality products, expanding our reach, and consolidating our position as an industry leader.

Building a sweeter brand

During the fiscal year, we have implemented a comprehensive branding strategy to reach a wider audience. We understand the importance of food in creating unforgettable moments, the joy it brings to the table and the flavour it adds to the festivities. Our campaign celebrated the beautiful connection between food and people.

Women’s Day Ad

We placed a half-page advertisement in the Times of India newspaper, on Women’s Day, with the tagline “To the ones who make life ‘madhur’.” Happy Women’s Day!” It served as a heartfelt tribute to the women who add sweetness to our lives.

Radio campaign

We also ran a radio campaign for Madhur across 8 radio stations, covering 37 cities, in Hindi and other regional languages. The spots conveyed the negatives of loose sugar in an entertaining manner while extolling the virtues of Madhur sugar. Top radio stations were chosen and the objective was to reach out to maximum number of listeners in a day. This high intensity campaign reached an average of 250 spots per day and achieved one of the highest Share of Voice (SOV) in the FMCG sector during the campaign duration. This strategic approach helped us engage with a diverse audience and create a lasting impression.



Madhur Navratri Contest

Through digital channels, we organised Madhur Utsav - Madhur Navratri Contest, which garnered significant traction. The campaign reached an impressive 16.8 million people, generating an engagement of 0.49 million and attracted 2,600 participants. By inviting users to participate and share their experiences, we created brand awareness, fostered a sense of being connected with our customers and garnered some brand love.



Auto Branding

We also engaged with our customers with some BTL activities. A significant one was Auto Branding. Over 8500 Autos across 12 cities in India carried our branding and provided high reach, visibility, exposure and recall. It also reinforced our brand promise of '5S guarantee' and 'untouched by hand'.



#EkMadhurShuruwat

Another noteworthy campaign was #EkMadhurShuruwat, launched during Diwali. Through this initiative, we embraced the festive spirit and encouraged people to make a new beginning from this Diwali by upgrading to Madhur sugar and adding sweetness and joy to their celebrations.



13.7 Million

Reach

19.8 Million

Impressions

3.58 Million

Video Views

Awards & Accolades

Madhur Sugar has won two important awards, demonstrating its rising popularity and credibility:



ET Best Brands 2022 - Certified by Euromonitor International

Prioritising ESG objectives

Growing green footprints

We are committed to environmental stewardship and have implemented practices across our operations to considerably minimise our ecological footprint.

Promoting circular economy

We prioritise the use of renewable fuels such as bagasse and biomass for energy generation. We have successfully generated 501 MN Kwh of green energy, out of which 222 MN Kwh has been exported, and the remaining energy is utilised for our internal operations. This approach helps us reduce reliance on fossil fuel and minimises greenhouse gas (GHG) emissions.

All our units run on power produced through our efforts to generate renewable energy. It also helps to improve cogeneration and the adoption of circular economy practices. Around 81% of our cogeneration process is powered by renewable energy sources, leading to a significant reduction in GHG emissions. Additionally, any excess power generated is supplied to government grids, to benefit communities and other industries.

501 MN Kwh

Clean energy generated

Zero liquid discharge

Acknowledging the water-intensive nature of sugar production, we have implemented measures to reduce specific water consumption from natural sources. We focus on improving water management and ensure that all our facilities have zero liquid discharge systems in place. This practice ensures that effluents from manufacturing units and processing plants are treated before being released.

1000.6 Mn liters

Water recycled



Increasing green cover

We contribute to lowering pollution levels by planting trees across all our units. These trees not only help to restore the ecological balance but, also improves the air quality. Moreover, we raise environmental awareness among our employees through posters and banners placed in different areas around our facilities. We also celebrate World Environment Day every year by organising tree-planting activities in and around our company's operations.

10,217

Trees planted

Sustainable sugarcane production

To promote sustainable sugarcane production, we have partnered with an international NGO. Together, we have developed the 'Sustainable Sugarcane Initiative' in two districts of Karnataka, Belgaum and Gulbarga. The project focuses on training and capacity building to improve sugarcane yield through judicious use of agricultural inputs, increased irrigation efficiency, and effective monitoring of plant growth, at every stage. It also prioritises occupational health and safety awareness among women farmers.

Committed to social well-being

As a socially responsible corporate and a conscientious contributor to the wellbeing of the communities around us, we contribute through variety of Programs that positively impact the lives of the communities we serve.

Our goal is to continuously make a meaningful difference and ensure social progress.

Improving healthcare

We have donated four well-equipped ambulances to government hospital in the Bagalkot district, one to Raibag Polytechnic, in the state of Karnataka and one to M/s Cochlea in Pune Maharashtra. These ambulances are expected to improve emergency medical services and help save lives. These initiatives empower us to make quality healthcare easily accessible to the community.

6

Fully equipped Ambulances donated

Blanket distribution drive

We also aimed to ensure well-being and comfort of labourers during the winter season and distributed blankets, bedsheets, and sweaters in Panchganga.

Likewise, we distributed lot of blankets in Munoli and other Sugar Mills in Karnataka.

Access to clean water and sanitation facilities

We have constructed a drinking water tank at KGS Primary School in Munoli to provide students safe and clean drinking water. Additionally, we inaugurated a Condensate Polishing Unit (CPU) at our Raibag Unit, to ensure access to filtered water.

Education Initiatives

In a bid to improve the educational level of our staff families and the communities we operate in, we have tried to contribute to educational institutions that educate, provide employability skills, and help improve the standard of living of the people in these communities.

Health Initiatives:

Our initiatives catering to the health and well-being of the communities we operate in include Health Centers, Multi Diagnostic health camps, an Ambulance service for children of cane harvesting staff which provides not only education but also nutritive food and regular health check-ups.

Sanitation Initiatives – Community Development:

400 Individual Household toilets were constructed with 100% financial aid by SRSL as a contribution towards Swachh Bharat Mission – Gujarat.



A robust and ethical governance framework

Our corporate governance framework is built on the foundation of integrity, transparency, and effective leadership. We recognise the importance of a strong Board of Directors in ensuring good governance practices. The Board is responsible for overseeing our operations and making strategic decisions in the best interest of the company and its stakeholders.

Board diversity

The composition of our Board of Directors reflect a strong commitment to ensure diversity and inclusivity in the composition of our top management. Directors are selected on the basis of their knowledge and proficiency in respective fields, including the Company's business, the domestic and international sugar industry, accountancy, finance, agri marketing, regulatory aspects, and government functioning. This balanced representation allows for a comprehensive understanding of the industry and facilitates informed decision-making.

6

Independent Directors

6

Non-Independent Directors

Transparency and accountability

Regular reviews of the governance structures and processes are conducted to incorporate new developments and ensure their effectiveness. We are committed to adhering to evolving corporate governance standards and benchmarks. This proactive approach enables us to adapt to changes in the business environment and continuously improve our governance practices.

To facilitate effective leadership and decision-making, the Board and its Committees meet at regular intervals. These meetings serve as platforms for discussions, deliberations, and the formulation of key policies. Through these meetings, the Board ensures that important matters are thoroughly examined and that decisions are made in a transparent and accountable manner.



Corporate Information

Board of Directors

Mr. Atul Chaturvedi
Executive Chairman

Mr. Vijendra Singh
Executive Director & Dy. CEO

Mr. Ravi Gupta
Executive Director

Mr. Kuok Khoon Hong
Non-Executive Director

Mr. Jean-Luc Bohbot
Non-Executive Director

Mr. Charles Cheau Leong Loo
Non-Executive Director

Mr. Madhu Rao
Independent Director

Mr. Dorab Mistry
Independent Director
(upto 22nd August 2022)

Mr. Bhupatrai Premji
Independent Director
(upto 22nd August 2022)

Dr. Bharat Kumar Mehta
Independent Director

Ms. Priyanka Mallick
Independent Director

Mr. Arun Chandra Verma
Independent Director
(w.e.f. 1st April 2022)

Mr. Siraj Hussain
Independent Director
(w.e.f. 9th August 2022)

Mr. S. Sridharan
Independent Director
(w.e.f. 9th August 2022)

Mr. TK Kanan
Alternate Director
(to Mr. Kuok Khoon Hong)

Chief Financial Officer

Mr. Sunil Ranka

Company Secretary

Mr. Deepak Manerikar

Auditors

S R B C & CO LLP Chartered Accountants

Registered Office

2nd & 3rd Floor, Kanakashree Arcade, 2nd Floor, CTS No. 10634, JNMC Road, Neharu Nagar, Belagavi -590010, Karnataka

Corporate Office

7th Floor, Devchand House, Shiv Sagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
Tel: 91-22-2497 7744 / 4001 1400

Banks & financial institutions

Bank of America
First Abu Dhabi Bank
Standard Chartered Bank
DBS Bank
RBL Bank
LIC of India

Plant Locations (India)

Unit I Munoli Sugar, Distillery, Co- Generation and Sugar Refinery
Munoli, Taluka: Saundatti,
Dist: Belagavi, Karnataka

Unit II Athani Sugar, Distillery, Co-Generation and Sugar Refinery,
Taluka: Athani, Dist: Belagavi,
Karnataka

Unit III Havalga Sugar, Distillery, Co- Generation and Sugar Refinery
Taluka: Afzalpur, Dist: Gulbarga,
Karnataka

Unit IV Raibag (Leased) Sugar,
Taluka: Raibag, Dist: Belagavi,
Karnataka

Unit V Pathri Sugar, Deonandra,
Taluka: Pathri, Dist: Parbhani,
Maharashtra

Unit VI Ajinkyatara (BOOT)
Co-Generation, Shahunagar,
Shendre, Tal/Dist: Satara,
Maharashtra

Unit VII Panchaganga Sugar
(Leased, BOOT) Sugar & Co-
Generation, Ganganagar,
Ichalkaranji, Taluka: Hatkanangle,
Dist: Kolhapur, Maharashtra

Unit R1 Haldia Sugar Refinery
& Co- Generation Kolkata,
West Bengal

Unit R2 Kandla Sugar Refinery
& Co- Generation Kandla, Gujarat

Management Discussion and Analysis

Global economy

Overview

While the pandemic-induced headwinds have abated, the world economy continues to experience some turbulence in the form of inflation, social unrests, geopolitical conflicts. The threat of nuclear war and a food and energy crisis also looms large in different parts of the world due to the ongoing Russia-Ukraine conflict.

Global growth is anticipated to slow down to 2.8% in CY2023 from 3.4% in CY2022.¹ Global inflation is also expected to decline from 8.7% in CY2022 to 7% in CY2023. Additionally, re-opening of the borders closed by China during COVID-19 crisis in China have slowed growth in CY2022, but the recent reopening has opened opportunities for a quicker-than-expected recovery.

Weather continues to affect the global agricultural crops. Lower stocks of commodities in Asia coupled with weather aberration have an affect on agriculture commodity prices.

Outlook

Despite volatility, a robust labour market, rising household spending and an influx of foreign investment continues to support the global economy. Moreover, as inflationary pressures begin to ease and with a decline in the value of the US dollar, emerging and developing countries experienced some relief. With the recovery of emerging markets and their currencies, real income also rose, leading to somewhat softening of inflationary pressures.

Indian economy

Overview

In FY22, the Indian economy demonstrated remarkable resilience as it replaced the UK as the fifth-largest economy in the world. According to the NSO's final estimates, India's GDP grew by 7.2% during FY2023.² However, the rapid tightening of monetary policy in advanced economies has resulted in higher interest rates though

relative interest rate rise in India is lower. The World Bank predicts that India will rank among the top seven EMDEs (Emerging Market and Developing Economies).³ India is well on its way to becoming a USD 3 trillion economy by the end of FY23 and a USD 7 trillion economy in the next 7 years. Comparable to other emerging market economies, the Indian economy has proved its resilience in the face of external challenges, mostly on account of strong macroeconomic fundamentals. The PM Gati Shakti Mission, National Logistics Policy, development of the public digital platform, strong capital investment cycle, and robust credit disbursements are the main factors promoting the growth of the Indian economy.

Outlook

The nation has also made notable strides toward the adoption of digital payments and the creation of sophisticated digital infrastructure for financial transactions. Despite the RBI increasing the repo rate to 6.5% and placing medium- to short-term liquidity pressure on the Indian economy, the environment is favourable for sizable investments because of strong credit growth, stable financial markets, and the ongoing focus of the government on infrastructure and capital spending.

Global sugar industry overview

The sugar industry plays a significant role in the agricultural sector and the global economy. Farmers of sugar cane and sugar beets, sugar mills and refineries, ethanol producers, sugar traders, and distributors make up the industry.

In 2022, 187 million tons of sugar was consumed worldwide. The consumption is anticipated to grow at a compound annual growth rate (CAGR) of 1.64% between 2023 and 2028, to touch 217.2 million tons.⁴ Over half of the world's sugar is produced by the Asia-Pacific region, particularly India, China and Brazil remains the largest exporter of sugar as well as the leading producer of sugarcane in the world.

¹ <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>

² <https://pib.gov.in/PressReleseDetailm.aspx?PRID=1928682>

³ Economic Times Delhi 11/01/2023

⁴ <https://www.imarcgroup.com/sugar-manufacturing-plant#:~:text=The%20global%20sugar%20market%20size,sugar%20cane%20and%20sugar%20beet>

Growth drivers for the sugar industry

The growth and expansion of the global sugar industry is fuelled by a number of factors. Due to the rapid growth of population and urbanisation in emerging economies, particularly those in Asia and Africa, sugar consumption continues to surge. As preference for sugary food and drinks increase, demand for sugar is also rising. Besides, sugar is being used by various industries such as pharmaceutical and cosmetics, along with the food and beverage sector.

The expansion of the global sugar industry is being fuelled by innovation and technological advancements. Precision farming is a cost-effective, and efficient method of production that has increased yield while lowering production costs. New sugarcane and sugar beet varieties that are more resilient to pests and diseases and ensure greater productivity have also been developed as a result of biotechnology and genetic engineering advancements. All these factors continue to introduce new opportunities for sugar producers to thrive in an evolving market.

India's sugar industry overview

India is the world's second-largest producer of sugar after Brazil, making it one of the biggest sugar industries worldwide. With millions of people employed and a significant impact on the GDP of India, the industry is vital to the country's economy. Over 90% of India's sugar production comes from sugarcane. The increasing demand for sugar from the food and beverage sector is one of the major growth drivers for the Indian sugar sector. India's growing middle class has increased the consumption of processed foods and drinks, which often use huge amounts of sugar. This continues to increase the demand for sugar within the country. It is also anticipated that the industry will continue its growth trajectory as a result of the Indian government's focus on boosting sugarcane-based ethanol production.

According to Indian Sugar Mills Association (ISMA), the plantation of sugarcane in India has increased by 6% in FY22. After 45 lakh tonnes of cane juice, syrup, and B-molasses were diverted to the production of ethanol, 327 lakh tonnes of sugar was produced in 2022–2023.⁵ Moreover, despite difficulties related to fluctuating sugar prices, high production costs, and scarcity of water, the

Indian sugar industry remains a crucial component of the nation's economy and it is anticipated to experience significant growth in the coming years.

Global ethanol industry overview

The global ethanol market, which was estimated to be worth USD89.7 billion in 2022, is expected to grow at a CAGR of 5.5% from 2022 to 2030 to reach a revised size of USD137.8 billion.⁶ With growing awareness about climate change and the need to reduce greenhouse gas emissions, the demand for biofuels such as ethanol continue to increase. As more countries introduce policies related to the use of renewable fuel and implementation of carbon pricing mechanisms to reduce carbon emissions, this trend is likely to continue. On the other hand, the ethanol industry may experience difficulties that may cause supply chain disruptions due to extreme weather conditions, logistic hassles, and trade disputes. Other types of biofuels and alternative fuel technologies used in electric cars and hydrogen fuel cells, could also pose a threat to the industry.

Overall, a number of variables, including government regulations, technological advancements, and consumer preferences will influence the future of the ethanol industry. Nevertheless, the sector is expected to contribute to the world's future energy mix, especially as nations work to lessen their reliance on fossil fuels and make the switch to a more sustainable energy system.

India's ethanol industry overview

India's ethanol supply was 433 million litres in ESY 2021-22 and reached blending of 10%. We are expected to reach to 12% in ESY 2022-23 and target is to achieve 20% ethanol blending by 2025, which will increase demand for ethanol in the nation, thus benefitting the sugar industry substantially.

Ethanol is the most feasible when it is made from B-heavy molasses, sugarcane juice, and damaged grains. Over the next few years, higher volumes of ethanol are expected to be produced from sugar surplus seasons and financial incentives are expected to be obtained for converting extra sugar into ethanol. The number of distilleries and consequently, the ethanol producing capacity has increased manifold in the last few years.⁷ The demand

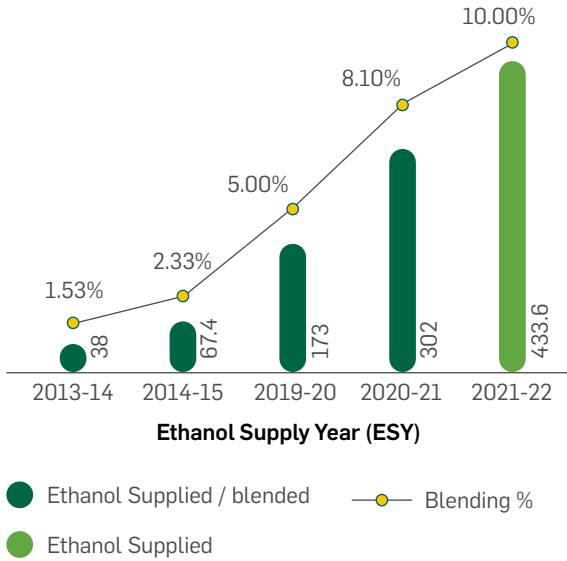
⁵ <https://economictimes.indiatimes.com/news/economy/agriculture/isma-lowers-indias-2022-23-sugar-production-estimate-by-6-8/articleshow/97490299.cms>

⁶ https://finance.yahoo.com/news/global-ethanol-strategic-business-report-163800427.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLnNvbS8&guce_referrer_sig=AQAAADHAiQZUz31AUK9yYVSzmonhw3BLyCSNgEb7T6zyJe30oEMnuPXJ29GpnE2NzoPka76jkkJ1b18ZD46dFpaXRwKYX0Q05bDGhK0vKhKA0d1T79nLTFyvesknXbUurkcwoED2GI7Pt8TNLDdSG9yPonjyCt_ORZk5hEDVJX055x

⁷ https://mopng.gov.in/files/uploads/BPCL_Ethanol_Booklet_2023.pdf

for ethanol will rise to 1016 crore litres by 2025 at a 20% blending level. As a result, from about ₹ 9,000 crore to over ₹ 50,000 crore, the industry's value is expected to increase by over 500%.⁸

(Figures in Crore Litres)



Company overview

Shree Renuka Sugars Limited is one of the biggest sugar producers in the country and is also one of the world's largest sugar refiners. Headquartered in Mumbai, the Company has six mills with the capacity to co-generate power and also produce ethanol. It also has one of the first mills in India to fully integrate a distillery using molasses, a by-product of sugar production, and bagasse based power co-generation capacity.

“37,500 TCD crushing capacity across 6 units.”

The Company primarily produces ethanol suitable for use in fuel blends with gasoline. The three locations in Karnataka has a combined capacity of 1,250 KLPD. The Company has a total cogeneration capacity of 259 MW and approximately 257 million units were sold to be grid.

In addition, the company is also engaged in sugar refining operations where raw sugar is processed into white sugar at its 2,500 TPD plant in Haldia, West Bengal, and its 3,000 TPD plant in Kandla, Gujarat.

Operational highlights

Milling

The Company is currently operating six mills in the states of Karnataka and Maharashtra, collectively possessing a crushing capacity of 37,500 TCD of Cane per Day (TCD). During the year under review, the Company's cane crushing volume totalled 5.25 million metric tonnes (MT), reflecting a decline of approximately 7%. This reduction primarily resulted from the limited availability of cane. Consequently, the sugar production for the year decreased to 616,896 MT, including a sugar sacrifice of 183,809 MT, as opposed to the preceding year's production of 668,674 MT.

Refinery

The Company has two sugar refineries situated in Haldia and Kandla. The refining capacities of these refineries are 2,500 tonnes per day and 3,000 tonnes per day, respectively. Throughout the year, the Company successfully refined a total of 1,388,000 metric tonnes (MT) of raw sugar, representing a substantial increase of 46% compared to the previous year. The majority of the raw materials used for the refining process were procured from domestic sources.

Ethanol

During the year under review, the Company undertook a significant expansion of its ethanol production capacity, augmenting it from 720 Kilo litres per day (KLPD) to 1250 KLPD. Commercial production from this expanded capacity began in March 2023. The Company anticipates benefiting from this increased ethanol capacity in the forthcoming years. Additionally, during the same year, the Company achieved notable sales, amounting to 189 million litres of ethanol, marking a growth of approximately 20% compared to the previous year.

Power

For internal use and sale to the Indian state grids, the Company engages in electricity generation using bagasse, a by-product derived from sugarcane. Bagasse serves as a renewable energy source that can be combusted

⁸ https://mopng.gov.in/files/uploads/BPCL_Ethanol_Booklet_2023.pdf

⁹ https://mopng.gov.in/files/uploads/BPCL_Ethanol_Booklet_2023.pdf

to produce bioenergy, thereby substantially reducing greenhouse gas emissions. Throughout the course of FY2023, the Company successfully generated a total of 618 million units of power, of which approximately 257 million units were sold to the grid.

Madhur

Madhur Sugar presently holds the distinction of being the best-selling sugar brand in India. The brand emphasises providing consumers with sugar of utmost purity and hygiene and deliver quality products to consumers nationwide. From local neighbourhood kirana shops to modern retail chains, Madhur has established a dominant presence in the majority of markets it operates in. Its popularity is particularly noteworthy in regions such as Gujarat, Maharashtra, Delhi, Rajasthan and Karnataka. In addition, the brand is steadily gaining traction in other states, including Haryana, Madhya Pradesh, Andhra Pradesh, Kerala, Punjab and Jammu and Kashmir.

Throughout FY23, Madhur maintained its growth trajectory, achieving remarkable sales figures amounting to 166,000 metric tonnes (MT), clocking an impressive growth rate of nearly 15%.

Financial overview

Profit and loss statement

The Company's operating revenue stood at ₹ 85,781 million, compared to ₹ 61,259 million in FY 2021-22 (the previous year). This was mainly driven by a 49% growth in exports and a robust 26% growth in ethanol sales.

The Company generated EBITDA (excluding forex gain or loss) of ₹ 7,197 million as compared to ₹ 4,781 million last year. The increase is largely on account of strong growth in exports and ethanol sales and improved realisation in sugar exports.

The company recorded a loss (after tax) of ₹ 1357 million as compared to net profit (after tax and exceptional item) of ₹ 1131 million for the previous year, driven mainly by a sharp spike in interest costs.

Balance sheet

Net worth- The Company's net worth in FY 2023 to ₹ 4,127 million as compared to ₹ 5,470 million in FY 2021-22

Working capital management

Current assets: Current assets as of March 31, 2023, stood at ₹ 28, 573 million as compared to ₹ 26,126 million. The current ratio is 0.75 as of March 31, 2023.

Inventories increased by 12% from ₹ 19,987 million in FY 2021-22 to ₹ 22,370 million in FY 2022-23.

Risk management

Shree Renuka Sugars Limited has established a robust risk management framework that involves a systematic process of identifying and assessing risks to implement efficient strategies for risk mitigation. This framework enables the Company to proactively prepare for unforeseen contingencies and effectively manage operational challenges that may arise, potentially affecting its day-to-day operations. The Risk Management Committee, comprising the Chairman of the Audit Committee, the Executive Chairman, the Executive Director, and the Chief Financial Officer, assumes responsibility for overseeing the effective implementation of Risk Management Policies within the organisation.

Internal controls and their adequacy

The Company has implemented robust internal controls to ensure strict adherence to applicable laws and regulations, safeguard company assets, and ensure the accuracy of financial reporting. The establishment of effective internal controls is of utmost importance for any organisation, as it ensures efficient, effective and ethically sound business operations.

The Company's internal control framework comprises a comprehensive set of policies, procedures, and guidelines that provide adequate oversight over financial reporting and other critical aspects of the organisation. The organisational structure is well-defined, with clear delineation of roles and responsibilities, fostering accountability and transparency in decision-making processes.

A comprehensive system of internal controls safeguards the integrity of the Company's financial reporting process. This includes the segregation of duties, access restrictions, and regular review procedures as integral components of the control environment. The independent audit committee plays a pivotal role in monitoring internal control procedures and provides regular updates to the board of directors.

Human resources

At Shree Renuka Sugars, we acknowledge the valuable contributions of our employees in propelling our journey to greatness in the Sugar industry. Our core values revolve around cherishing our employees as the driving force behind our success. We take immense pride in our human resource policy, carefully crafted to cultivate a positive and thriving work environment that fuels employee engagement, fosters career growth, and sparks the flames of progression.

We know that a company is only as strong as its talent pool, and that's why we are wholeheartedly committed to building a team of exceptional individuals who share our passion for excellence. Our dedication to nurturing and retaining top talent shines through, our Employee Retention Approach which ensures Transparent and Effective Communication, Opportunities for Career Growth, Competitive Compensation and Benefits, Recognition and Rewards, Supportive Leadership that recognize and motivate outstanding performance and valuable experience.

At Shree Renuka Sugars, you'll find more than just a workplace; you'll become part of a family that celebrates your unique strengths and endeavours to unleash your true potential. We are a place to grow, learn, and excel as we embark on an exciting journey of innovation and success.

Technology transformation

We have established a strategic partnership with a leading HRMS provider, offering a comprehensive SaaS platform adopted by numerous top enterprises across multiple countries, with a digitally empowered seamless employee experience. This new HRMS has significantly streamlined and automated our processes, fostering an employee-centric workplace and driving business transformation through cutting-edge technology for all employees. This comprehensive system has brought about remarkable improvements across various crucial aspects of our organization: HRIS, Dashboards, PMS, L&D, Talent Management, Payroll, Asset Management, Contract Labour Management system and Compliances, powered by AI and ML chatbot technology.

With our new HRMS, we are confident that our organization will continue to thrive, through the significant advantages it brings to our workforce and business processes.

Employees engagement

The year 2022 – 2023, witnessed a multitude of engaging programmes for our employees. These initiatives are aimed at fostering a strong sense of community and happiness among our workforce. To celebrate the rich

cultural diversity of India, we held festivities for prominent national and regional festivals. These festivities not only brought our employees together but also allowed them to immerse themselves in the vibrant traditions of their local communities. Apart from celebrating festivals, we took time to cherish our employees' special moments by commemorating their birthdays, a small gesture of appreciation towards our valued employees. Our Sports and Wellness initiatives are another big Celebration that our employees look forward to every year, with activities like Cricket, Badminton, Volleyball, slow bike riding, tug of war etc. and many more Webinars on nourishing physical and mental health.

Additionally, we took pride in our employees' active participation in community-based engagement programmes through our Corporate Social Responsibility (CSR) initiatives. By contributing their time and efforts to initiatives like tree planting drives, Swaccha Bharat Abhiyan, educational workshops for underprivileged children, Blood Donation Camps and support for local charitable organizations and Government Hospitals, our employees demonstrated their commitment to making a positive impact on society.

Learning & Development

Throughout the year, we have a well-structured Learning and Development calendar, diligently implemented by our dedicated team. Our focus on employee learning is comprehensive, encompassing both Classroom and On-the-Job training sessions. These programs cover various areas such as Safety, Soft Skills Building, and Technical Operations, all aimed at enhancing their skills and knowledge.

We conducted various webinars on essential topics like POSH, Code of Conduct, and Whistle Blower, ensuring adherence to ethical standards and compliance.

To strengthen Operational Excellence, we prioritize specialized training programs like Advanced Excel and Finance for non-finance employees. This empowers our workforce with essential tools to excel in their respective roles.

Wellness is a core aspect of our organization, and we celebrate Wellness Month annually, commencing with International Yoga Day. During this period, we conduct webinars that promote overall employee well-being and health.

Recognizing the importance of continuous learning, we have implemented our Learning Management System (LMS) through a reputable Online Training provider. This implementation enables access to valuable Online Modules covering a wide range of topics, including Soft Skills, Leadership, Finance, POSH, and Analytical Skills, further empowering our employees to grow and thrive in their professional journeys.

Health and safety

At SRSL, we deeply value our employees as our most valuable assets, and their health and safety are our top priorities. Our tailor-made programs reflect this commitment, starting with an annual health check-up for all employees, complemented by comprehensive Medclaim, Personal Accident Insurance, Term Insurance and Workmen's Compensation policies to ensure their well-being.

To further support their health journey, we conduct regular health Checkup Camps and webinars, keeping our workforce informed and empowered to make healthier choices. Safety is of paramount importance to us, and we organize ongoing safety training programs and conduct regular safety audits to maintain a secure working environment.

Moreover, we believe in fostering a stress-free work culture that promotes a healthy work-life balance, enabling our employees to thrive both personally and professionally. With these initiatives, we aim to create a workplace where our employees can flourish and achieve their full potential while prioritizing their health and well-being.

Environment, Social and Governance (ESG)

Environment

The Company has implemented numerous initiatives and policies to minimise its environmental impact and promote sustainable development practices. Through the adoption of eco-friendly production processes, the Company has put in place a zero-liquid discharge policy. This entails the treatment, reuse and recycling of wastewater generated during sugar production, ensuring responsible water management.

Moreover, the Company encourages the use of renewable energy sources to curb its carbon footprint. By utilising bagasse, a by-product of sugar production, the Company generates its own electricity, contributing to a greener future.

In line with its commitment to environmental stewardship, the Company also endeavours to leverage by-products from its processes. The press-mud generated during sugar production and the ash resulting from bagasse combustion are both sold as fertilisers to farmers in the vicinity of the factory locations, promoting sustainable waste management.

During the year under review, the Company further demonstrated its dedication to environmental protection through various initiatives. Notably, the utilisation of concentrated spent wash as fuel and the installation of

Condenser Polishing Units resulted in a significant reduction in water consumption, amounting to approximately 146.47 million litres. Additionally, the Company effectively recycled around 1000.6 million litres of wastewater.

The Company engaged in reforestation efforts by planting 10,217 trees across its manufacturing locations till date, reaffirming its commitment to preserving the environment.

Social

The Company is dedicated to supporting communities and is aware of its role as a responsible corporate citizen. It, therefore, aims to engage in social welfare initiatives and raise the standard of living of people through targeted community development programmes. Its corporate social responsibility programmes encompass the areas of healthcare, education and skill development to ensure the holistic growth of its local communities and the society at large.

During FY 2022-23, the Company pursued several initiatives to fulfil its social responsibilities, which include contributions to organisations that offer education to underprivileged communities, supporting the well-being of specially-abled children and contributing to the Armed Forces Flag Day Fund, which aids the welfare of the armed forces and their dependent family members. Additionally, the Company generously donated fully equipped ambulances to primary health care centres situated in the vicinity of its operational areas, thereby contributing to the enhancement of healthcare facilities in rural regions.

In total, the Company's benevolent endeavours amounted to a substantial sum during the reporting period. These philanthropic actions reflect the Company's commitment to making a meaningful impact on society.

Governance

The Company is dedicated to upholding the highest standards of business ethics and conduct. To ensure transparency, accountability and fairness in its operations, the Company has put in place a strong framework of governance policies and procedures, including the Code of Conduct and Ethics, internal controls and risk management systems, all while ensuring compliance with applicable laws and regulations.

The Company's Board of Directors comprises individuals with deep expertise in diverse areas, such as business, finance, accounts, law and agri-marketing. The Board and its committees meet multiple times a year.

BOARD'S REPORT FY 2022-23

Dear Members,

The Board of Directors present their Twenty-Seventh Annual Report and audited financial statements for the financial year ended 31st March 2023.

Standalone Financial Results

The highlights of the standalone financial results are as under:

Particulars	(Rs. in Million)	
	FY 2022-23	FY 2021-22
Revenues	86,862	62,091
Earnings before interest, taxes, depreciation, and amortization (excluding foreign exchange gain/loss)	7,197	4,781
Foreign exchange loss (net)	720	315
Financial expenses	5,413	3,755
Depreciation	2,291	2,010
Profit /(loss) before provision for tax and exceptional items	(1,227)	(1,299)
Exceptional Items	-	2,514
Provision for taxation:		
- Income Tax relating to earlier years	-	-
- Deferred Tax / (Income)	130	84
Net Profit/(Loss)	(1,357)	1,131
Total comprehensive income/(loss)	(328)	3,125
Retained Earnings and Items of Other Comprehensive Income (OCI) brought forward from the previous year	(29,782)	(33,096)
Changes in Retained Earnings	(656)	1,599
Changes in Items of OCI	(799)	1,715
Closing Retained Earnings and Items of OCI	(31,236)	(29,782)

Operating Highlights

The Company achieved total revenue of INR 86,862 million for the year ended 31st March 2023 as against INR 62,091 million for the previous year. The EBITDA (excluding foreign exchange gain/loss) for the year under review stood at INR 7,197 million as compared to INR 4,781 million for the previous year, while the Net loss stood at INR 1,357 million as compared to Net profit of INR 1,131 million for the previous year. Analysis of operating performance is covered under Management Discussion and Analysis which forms part of this Report.

In February 2023, the Company commenced commissioning activities of its expanded ethanol production capacity at Athani (from 300 KLPD to 450 KLPD) and at Munoli (from 120 KLPD to 500 KLPD). With this, the Company's ethanol production capacity stands increased from 720 KLPD to 1250 KLPD.

There were no material changes in the nature of business of the Company during the year under review.

Dividend & Dividend Distribution Policy

Since the Company has carried forward losses as on 31st March 2023, your Directors have not recommended any dividend for the financial year ended 31st March 2023. The Company has complied with the requirement of formulation of the Dividend Distribution Policy of the Company which may be accessed on the Company's website at <https://renukasugars.com/pdf/corporate-governance/dividend-distribution-policy.pdf>

Transfer to Reserves

Debenture Redemption Reserve (DRR) is created to the extent of 25% of the non-convertible debentures (NCDs) equally over the period till maturity of the NCDs, as per the

requirements of the applicable laws. Since the Company has already transferred requisite amount to DRR, the Company has not transferred any further amount to DRR during the financial year ended 31st March 2023.

Deposits

During the year under review, your Company has not accepted any deposits from public within the meaning of Sections 73 and 74 of the Companies Act, 2013 (the "Act") and the Companies (Acceptance of Deposits) Rules, 2014.

Management Discussion and Analysis Report

The Management Discussion and Analysis (MDA) report on the business and operations of the Company is given in a separate section and forms part of this Annual Report.

Subsidiary Companies and Consolidated Financial Statements

As stipulated by Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("SEBI Listing Regulations"), the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The audited Consolidated Financial Statements, together with Auditors' Report, forms part of the Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013 ("the Act"), a statement containing the salient features of the financial statements of each subsidiary, joint venture and joint operations in the prescribed Form AOC-1 is provided in the financial statements forming part of this Annual Report.

Pursuant to Rule 8 of the Companies (Accounts) Rules, 2014, the highlights of performance of subsidiaries and their contribution to the overall performance of the Company during the period under review is provided in the notes on consolidated financial statements forming part of this Annual Report. There was no material change in nature of the business of any of the subsidiaries during the year.

Pursuant to Section 136 of the Act, the audited financial statements, including the consolidated financial statements and related information of the Company and accounts of each of the subsidiaries of the Company are available on the website of the Company at <https://renukasugars.com/en/financials.html>. These documents will be made available to the Members for inspection electronically, upon request, up to the date of the ensuing Annual General Meeting. The Company will make available the documents of the subsidiaries upon request by any

member of the Company interested in obtaining the same.

During the year under review, no company became or ceased to be a subsidiary of the Company.

The Board of Directors, at its meeting held on 24th May 2022, approved the Scheme of Amalgamation of wholly owned subsidiaries namely Monica Trading Private Limited (MTPL), Shree Renuka Agri Ventures Limited (SRAVL), and Shree Renuka Tunaport Private Limited (SRTPL) with the Company. The said scheme was filed with the Stock Exchanges on 1st August 2022. The Company has filed an application with National Company Law Tribunal (NCLT), Mumbai Bench for merger of MTPL and National Company Law Tribunal, Bangalore Bench for merger of SRAVL and SRTPL with the Company. All the necessary compliances as per directions issued by the Mumbai bench have been complied and the compliance affidavit has been filed with Mumbai NCLT, which has issued order of amalgamation, a copy of which is awaited. In respect of applications filed with Bangalore NCLT Bench, the Company has complied with the dispatch notices to creditors and regulatory authorities. Clearance from Registrar of Companies, Regional Director and Official Liquidator is awaited.

The Company's Policy for Determining Material Subsidiaries may be accessed on the Company's website at <https://renukasugars.com/pdf/corporate-governance/policy-on-determining-material-subsidiaries.pdf>

Merger of Gokak Sugars Limited with the Company

The Company had received an in-principle approval from BSE Ltd. and National Stock Exchange of India Ltd. (NSE) on 11th March 2022 for merger of Gokak Sugars Limited (GSL) with the Company. Company could not proceed with filing the application with NCLT within the prescribed time line.

Subsequently, the Board of Directors, at their meeting held on 11th August 2023, had approved revised scheme of merger of GSL with the Company. The Company will be approaching BSE and NSE for their approval and proceed with the filing of the application with NCLT as soon as the approvals are received.

CHANGE OF NAME:

The Shareholders had approved change in the name of the Company to "Shree Renuka Enterprises Limited" vide their resolution dated 29th June 2022.

However, due to operational reasons, the Company did not apply the Central Government for its approval to the change of name.

Share Capital

During the year under review, there was no change in the paid-up share capital of the Company which stands at Rs. 212,84,89,773 comprising of 212,84,89,773 equity shares of Re 1 each fully paid-up. As on 31st March 2023, 99.85% of the total paid-up equity share capital of the Company stands in the dematerialized form.

Directors and Key Managerial Personnel

Pursuant to the provisions of Section 152 of the Act, Mr. Kuok Khoon Hong (DIN: 00021957), Non-Executive Director of the Company, is liable to retire by rotation at Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment at the ensuing Annual General Meeting ("AGM").

In terms of the Regulation 17(1A) of the SEBI Listing Regulations, with effect from 1st April 2019, no listed Company shall appoint or continue the appointment of a Non-executive Director, who has attained the age of 75 years, unless a special resolution is passed to that effect. As Mr. Kuok Khoon Hong, will turn 75 years in the next financial year, on the recommendation of the Nomination & Remuneration/Compensation Committee (NRC), and taking in account Mr. Khoon Hong's seniority, expertise and vast experience, which has immensely benefitted the Company, the Board of Directors at their meeting held on 11th August 2023 had approved the continuation of Mr. Khoon Hong as a Non-Executive Director of the Company, liable to retire by rotation subject to the special resolution passed by the Members in the ensuing AGM.

Brief Resume of Mr. Khoon Hong is circulated to the Members as part of the Annual Report.

The Board of Directors, through Circular Resolution and on the recommendation of the NRC, appointed Mr. Arun Chandra Verma (DIN: 06981070) as an Independent Director of the Company for a period of 5 (Five) years with effect from 1st April 2022. Subsequently, the Members, vide their resolution passed through Postal Ballot on 29th June 2022, approved the appointment of Mr. Verma as an Independent Director, to hold office for a term of 5 (Five) years with effect from 1st April 2022.

Mr. Dorab Mistry (DIN:07245114) and Mr. Bhupatrai Premji (DIN: 07223590) retired as Independent Directors of the Company, upon completion of their second term as Independent Director on 21st August 2022. The Board placed its gratitude towards the valuable contribution of Mr. Dorab Mistry and Mr. Bhupatrai Premji during their tenure.

The Board of Directors, on the recommendation of the NRC, appointed Mr. Seetharaman Sridharan (DIN: 01773791)

and Mr. Siraj Hussain (DIN: 05346215) as Independent Directors of the Company as per the provisions of Sections 149, 152 and 161 of the Companies Act, 2013 for a term of 5 (Five) years with effect from 9th August 2022. Subsequently, the Members, at the 26th Annual General Meeting held on 16th September 2022, approved the appointments of Mr. Sridharan and Mr. Hussain as Independent Directors, to hold office for a term of 5 (Five) years with effect from 9th August 2022.

The Board of Directors, on the recommendation of the NRC, approved the appointment of Mr. TK Kanan (DIN: 00020968) as an Alternate Director to Mr. Khoon Hong with effect from 19th May 2022.

The Board of Directors, on the recommendation of the NRC, re-appointed Mr. Madhu Rao (DIN: 02683483) as an Independent Director of the Company as per the provisions of Sections 149, 152 and 161 of the Companies Act, 2013 for the second term of 5 (Five) years effective from 27th June 2023. Subsequently, the Members had, vide resolution passed through Postal Ballot on 17th June 2023, approved the appointment of Mr. Rao as an Independent Director, to hold office for the second term of 5 (Five) years with effect from 27th June 2023.

The Board is of the opinion that the Independent Directors of the Company including those appointed during the year possess requisite qualifications, expertise and experience and they hold highest standards of integrity. The Independent Non-Executive Directors of the Company have confirmed compliance with relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014.

The policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act and SEBI Listing Regulations adopted by the Board is appended as **Annexure I** to this Report. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company. The policy is available on the website of the Company <https://renukasugars.com/pdf/corporate-governance/nomination-remuneration-policy.pdf>.

As on date of this report, Mr. Atul Chaturvedi, Executive Chairman, Mr. Vijendra Singh, Executive Director & Dy. CEO, Mr. Ravi Gupta, Executive Director, Mr. Sunil Ranka, Chief Financial Officer and Mr. Deepak Manerikar, Company Secretary, are the Key Managerial Personnel of the Company.

Performance Evaluation

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board of Directors has undertaken an

evaluation of its own performance, the performance of its Committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors in their separate meeting. The Board of Directors expressed their satisfaction with the evaluation process.

The separate meeting of Independent Directors of the Company was held on 14th March 2023 to discuss matters as per the provisions of Companies Act, 2013 and SEBI Listing Regulations.

The Board hereby confirms that the Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulations.

Meetings of the Board

During the year, five meetings of the Board of Directors were held, the details of which are given in the report on Corporate Governance, which forms part of this Annual Report.

The Company has complied with the requirements of SS-1 (Secretarial Standard on meetings of the Board of Directors) in respect of the meetings of the Board of Directors held during the year.

Directors' Responsibility Statement

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

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with no material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2023 and of the loss of the Company for the year ended on that date;
- (c) that the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

- (d) that the Directors have prepared the annual accounts on a going concern basis;
- (e) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Auditors and Auditors' Report

M/s. S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) were re-appointed as Statutory Auditors of the Company at the 26th AGM held on 16th September 2022, for a second term of 5 consecutive years to hold office from the conclusion of the 26th AGM till the conclusion of 31st AGM.

During FY 2022-23, the Statutory Auditors had not reported any matter under Section 143(12) of the Act and therefore, no details are required to be disclosed under Section 134(3) of the Act.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, the Board had appointed M/s. DVD & Associates, Practising Company Secretary (Membership No. F6055/CP No. 6515), to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the financial year ended 31st March 2023 is annexed herewith as **Annexure II** to this Report. There are no qualifications or observations made by the Secretarial Auditor in the said report.

During the year, the Secretarial Auditors had not reported any matter under Section 143(12) of the Act and therefore, no details are required to be disclosed under Section 134(3) of the Act.

Cost Auditors

The Board of Directors, on the recommendation of the Audit Committee, had appointed M/s. B. M. Sharma & Co, Cost Accountants, as the Cost Auditor to audit the cost records for the financial year ending 31st March 2023. Remuneration payable to the Cost Auditor is subject to ratification by the Members of the Company. Accordingly, a resolution seeking Members' approval for ratification of the remuneration payable to M/s. B. M. Sharma & Co,

Cost Accountant, forms a part of the Notice of the ensuing AGM, along with relevant details, including the proposed remuneration.

In terms of Section 148 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under sub-section (1) of Section 148 of the Act.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information pursuant to the provisions of Section 134(3) (m) of the Act and the rules framed thereunder relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as per the Companies Act, 2013 forms part of this Report and is annexed hereto as **Annexure III**.

Corporate Governance

In compliance with Regulation 34 read with Schedule V of SEBI Listing Regulations, a detailed report on Corporate Governance forms part of this Annual Report. A Certificate from the Practising Company Secretary confirming compliance of the conditions of Corporate Governance as stipulated under SEBI Listing Regulations is appended to the Corporate Governance Report.

Particulars of Employees

The information in terms of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure IV**. Further, the statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the annual report and the financial statements are being sent to the Members excluding the aforesaid Annexure. The Annexure is available for inspection and any Member interested in obtaining a copy of the Annexure may write to the Company Secretary.

Employee Stock Option Scheme

The NRC of the Board of Directors of the Company, inter alia, administers and monitors the SRSL Employees Stock Option Plan-2011 ("Scheme") of the Company in accordance with applicable SEBI regulations.

During the year under review, the Company has not granted any fresh Stock Options to the employees.

Contracts and Arrangement with Related Parties

All Contracts/arrangements entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The details required under Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 are annexed herewith as **Annexure V**. The details of transactions with related parties are given in notes to the financial statements. Details showing the disclosure of transactions with related parties as required under Ind AS-24 and 2A of Schedule V of SEBI Listing Regulations are set out in the financial statements.

The Company's Policy on Related Party Transactions may be accessed on the Company's website at <https://renukasugars.com/pdf/corporate-governance/tpt-policy-srsl.pdf>

Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees given, securities provided and investments made are provided in the notes to the financial statements.

Corporate Social Responsibility

Your Company is committed to Corporate Social Responsibility (CSR) by catering to the needs of the weaker sections of the society. The CSR Committee vide Circular Resolution dated 1st March 2023, approved the CSR spending for the financial year 2021-2022 and carried out the same. The CSR Policy of the Company may be accessed on the Company's website at <https://renukasugars.com/pdf/corporate-governance/policy-on-corporate-social-responsibility.pdf>

The report on the CSR activities is appended as **Annexure VI** to the Board's Report.

Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ('IEPF'), constituted by the Central Government. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to IEPF.

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

The details of unclaimed/unpaid dividends and equity shares transferred to IEPF are available on the website of the Company at <https://renukasugars.com/en/shareholders-service.html>

The contact details of Nodal Officer of the Company are available on the website of the Company at <https://renukasugars.com/en/shareholders-service.html>

Annual Return

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules 2014, the Annual Return of the Company for FY 2022-23 is available on the website of the Company at <https://renukasugars.com/en/financials.html>

Risk Management & Internal Financial Controls

The Company has adopted a Risk Management Policy which is reviewed on a periodic basis in order to recognize, assess and reduce exposure to risks wherever possible, identify steps to mitigate risks and to identify risk owners for all types of risks.

The Company's Risk Management Policy is based on the philosophy of achieving substantial growth while mitigating and managing risks involved. The Company's internal control systems with reference to the financial statements are adequate and commensurate with the nature of its business and the size and complexity of its operations. Periodic audits and checks are conducted and the controls to prevent, detect and correct any irregularities in the operations have been laid down by the Company.

The details relating to the composition, powers, roles, terms of reference, number of meetings held, attendance at the meetings etc. of Risk Management Committee are given in detail in the Corporate Governance Report, which forms part of this Annual Report.

Whistle Blower Policy

Pursuant to SEBI Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015, and the Act, the Company has in place a Whistle blower Policy/ Vigil Mechanism to deal with unethical behaviour, victimisation, fraud and other grievances or concerns of directors, employees and stakeholders. The Whistle blower

Policy may be accessed on the Company's website at <https://renukasugars.com/pdf/corporate-governance/whistle-blower-policy.pdf>

During the year under review, no complaints were received by the Company under the policy.

Prevention of Sexual Harassment at Workplace

The Company has complied with the requirement of constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder.

During the year, there were no complaints received by the Company under the said Act.

Human Resources (HR)

The Company's HR policies and procedures are designed to recruit and retain the best talent to support the operations of the Company and to align the interest of employees with the long term organizational goals.

HR department has outlined a talent management strategy in place designed for the company to gain optimal results. In order to achieve desired goals, HR has facilitated the Company to transform from good to great and made efforts in building "A People Centric Organisation".

Further, by marching forward, HR has been able to transform the organisation by building "A People Centric Organisation" by aligning people with the Company's goals and visions, by objective and key result-driven performance, custom made training programs at all levels, investing in existing and future talent supply and optimizing talent pipeline.

Material Changes & Events after Balance Sheet Date

1. The Company entered into a non-binding term sheet for acquisition of 100% equity shares in a sugar manufacturing company based in Uttar Pradesh. The proposal may be finalized after satisfactory due diligence.
2. The Board of Directors approved Merger of Gokak Sugars Limited (93.6% subsidiary) with the Company in its meeting held on 11th August 2023.

This is subject to the Company obtaining all the requisite approvals.

Business Responsibility and Sustainability Report” (“BRSR”)

In terms of Regulation 34 of SEBI Listing Regulations read with circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated 10th May 2021, new reporting requirements on Environment, Social and Governance (ESG) parameters were prescribed under “Business Responsibility and Sustainability Report” (‘BRSR’). The BRSR seeks disclosure on the performance of the Company against nine principles of the “National Guidelines on Responsible Business Conduct” (‘NGRBCs’). As per the SEBI Circulars, effective from the financial year 2022-23, filing of BRSR is mandatory for the top 1000 listed companies by market capitalization. Accordingly, BRSR for the financial year ended 31st March 2023, is annexed as **Annexure VII**.

Restructuring of Non-convertible Debentures

During the year under review, the company restructured the terms of 1,500, 11.70% Non-Convertible Debentures (NCDs) and 1,000, 11.30% Non-Convertible Debentures (NCDs) of the Company aggregating to Rs. 250 crores, issued to LIC of India. These NCDs are listed on the Wholesale Debt Market (WDM) Segment of BSE Limited. The in-principle approval for the restructuring was issued by BSE on 15th March 2023 and execution of documentation for restructuring/amendments of existing terms was made on 27th and 28th March 2023. The Company is in the process of completing the documentation/formalities for listing of these restructured NCDs on BSE Limited. The summary of restructured NCDs are as given below:

ISIN	ROI	Nos. of NCDs	Face value	(In Rs.)	Maturity
INE087H07094	11.70%	750	10,00,000	75,00,00,000	31-Mar-28
INE087H07102	11.00%	750	10,00,000	75,00,00,000	31-Mar-32
INE087H07128	11.30%	500	10,00,000	50,00,00,000	31-Mar-28
INE087H07110	11.00%	500	10,00,000	50,00,00,000	31-Mar-32

Other Disclosures/Reporting

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company’s operations in future.
- No application has been made by the Company and neither any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.
- The Company has not done any one-time settlement during the year, and hence, the 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, is not applicable.

- The Whole time Directors of the Company are not receiving any remuneration or commission from the Holding Company or Subsidiary Company of the Company.
- All recommendations of Audit Committee during the year were accepted by the Board.

Appreciation & Acknowledgements

The Board wishes to place on record its gratitude for the assistance and co-operation received from the financial institutions, banks, lenders, government authorities, customers, vendors and cane growers and finally to all its Members for the trust and confidence reposed in the Company. The Board further wishes to record its sincere appreciation for the significant contributions made by the employees at all levels for their competence, dedication and contribution towards the operations of the Company.

For and on behalf of the Board

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Date: 11th August 2023
Place: Mumbai

Annexure I

Nomination and Remuneration Policy

[Pursuant to the provisions of the Companies Act, 2013 and Schedule II – Part D(A)(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 (“the Act”) read along with the applicable rules thereto and Schedule II – Part D(A)(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (“SEBI Listing Regulations”), as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration/Compensation Committee (NRC or the Committee) and has been approved by the Board of Directors of the Company.

1. Definitions

- 1.1 “Act”** means Companies Act, 2013 and rules framed thereunder as amended from time to time.
- 1.2 “Board of Directors”** or “Board”, in relation to the company, means the collective body of the Directors of the Company.
- 1.3 “Committee”** or “NRC” means Nomination and Remuneration/Compensation Committee of the Company as constituted or reconstituted by the Board.
- 1.4 “Company”** means “Shree Renuka Sugars Limited”.
- 1.5 “Managerial Personnel”** means managing director, whole-time director or manager applicable under Section 196 and other applicable provisions of the Companies Act, 2013.
- 1.6 “Policy”** or “This policy” means Nomination and Remuneration Policy.
- 1.7 “Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.
- 1.8 “Independent Director”** means a Director referred to in Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1.9 “Key Managerial Personnel” (KMP) means

- a) The Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-time Director;
- b) The Chief Financial Officer
- c) The Company Secretary

1.10 “SEBI Listing Regulations” means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.11 “Senior Management” means Senior Management means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the SEBI Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

2. Objective

The Nomination and Remuneration/Compensation Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Schedule II – Part D(A)(1) of the SEBI Listing Regulations or any other applicable law(s) or regulation(s). The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, senior management personnel and other employees. The Key Objectives of the Committee would be:

- 2.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and Senior Management.
- 2.3 Formulation of criteria for evaluation of Independent Director and the Board.
- 2.4 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

- 2.5 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 2.6 To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 2.7 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 2.8 To develop a succession plan for the Board and to regularly review the plan.
- 2.9 To assist the Board in fulfilling responsibilities.
- 2.10 To Implement and monitor policies and processes regarding principles of corporate governance.

3. Constitution of the Nomination and Remuneration Committee

The Board constituted this "Nomination and Remuneration Committee" of the Board on 27th June 2018. This is in line with the requirements under the Act and SEBI Listing Regulations. This Policy and the Nomination and Remuneration Committee Charter are integral to the functioning of the Nomination and Remuneration Committee and are to be read together. The Board has authority to reconstitute this Committee from time to time.

4. Appointment and removal of Managerial Personnel, Director, KMP and Senior Management

4.1 Appointment Criteria and Qualifications

- 4.1.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Personnel, Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- 4.1.2 A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

- 4.1.3 For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required
 - consider candidates from a wide range of backgrounds, having due regard to diversity and
 - consider the time commitments of the candidates

- 4.1.4 Appointment of Independent Directors is also subject to compliance of provisions of Section 149 of the Act read with Schedule IV and rules thereunder and the SEBI Listing Regulations .

- 4.1.5 The Company shall not appoint or continue the employment of any person as Managerial Personnel who has attained the age as prescribed under Section 196 of the Companies Act, 2013. Provided that the term of the person holding this position may be extended beyond the age prescribed under Section 196 with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 70 years.

- 4.1.6 A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

- 4.1.7 The Company shall not appoint any resigning independent director, as whole-time director, unless a period of one year has elapsed from the date of resignation as an independent director.

5. Term / Tenure

shareholders of the Company and/or Central Government, wherever required.

5.1 Managerial Personnel:

The Company shall appoint or re-appoint any person as its Managing Director and CEO or wholetime Director as per the applicable laws.

9.2 The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

5.2 Independent Director:

An Independent Director shall be appointed / re-appointed in the manner as specified under applicable laws.

9.3 Managerial Personnel, KMP and Senior Management shall be eligible for a remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force, subject to approval of the shareholders and the Central Government, as may be applicable.

5.3 Non-Executive Director

Non-executive director's office is subject to retirement by rotation at the Annual General Meeting in the manner as specified under the applicable laws.

9.4 If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the approval of the shareholders and/or the Central Government, in the manner prescribed under the relevant provisions of Companies Act, 2013.

6. Retirement:

Any Director other than the Independent Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

9.5 If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

7. Evaluation:

The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP and Senior Management on yearly basis.

9.6 Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel subject to the provisions of the Act.

8. Removal

The Committee may recommend to the Board, with reasons recorded in writing, removal of a Managerial Personnel, Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

9.7 Only such Employees / Directors of the Company and its subsidiaries as approved by the Nomination and Remuneration/Compensation Committee will be granted ESOPs.

9. Remuneration of Managerial Personnel, KMP and Senior Management:

9.1 The Remuneration / Compensation / Commission etc. to Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration / Compensation / Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the

10. Remuneration to Non-Executive / Independent Directors:

10.1 Remuneration / Commission:

The remuneration/commission shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

10.2 Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

10.3 Limit of Remuneration / Commission:

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% / 3% of the net profits of the Company, respectively or such other limits as may be prescribed.

11. Duties in relation to nomination matters:

The duties of the Committee in relation to nomination matters include:

- 11.1 Determining the appropriate size, diversity and composition of the Board;
- 11.2 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 11.3 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 11.4 Identifying and recommending Directors who are to be put forward for retirement by rotation;
- 11.5 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 11.6 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 11.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

11.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

11.9 Recommend any necessary changes to the Board; and

11.10 Considering any other matters, as may be requested by the Board.

12. Duties in relation to remuneration matters:

The duties of the Committee in relation to remuneration matters include:

12.1 Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

12.2 Approving the remuneration of the Directors, Senior Management including KMP of the Company maintaining a balance between fixed and incentive pay, if any, reflecting short and long term performance objectives appropriate to the working of the Company.

12.3 Delegating any of its powers to one or more of its members of the Committee.

12.4 Considering any other matters as may be requested by the Board.

13. Review and Amendment to the policy:

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration/ Compensation Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.

Amended on 9th August 2022

Annexure II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2023

[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
SHREE RENUKA SUGARS LIMITED
2nd and 3rd Floor, Kanakashree Arcade,
CTS No. 10634, JNMC Road, Nehru Nagar,
Belagavi 590010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s. **SHREE RENUKA SUGARS LIMITED** (hereinafter called "the Company").

The Secretarial Audit was conducted for the period from 1st April 2022 to 31st March 2023, in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act and the laws specifically listed below.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023 according to the provisions of the following list of laws and regulations. The following are our observations on the same:

- (i) **The Companies Act, 2013 (the Act) and the Rules made there under:** The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made there under and there are no discrepancies observed by us during the period under review.
- (ii) **The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under:** The Company has complied with the provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA').
- (iii) **The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:**
The Company is a listed public company the shares are in dematerialised form and the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- (iv) The Company has satisfactorily complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and there are no discrepancies observed by us during the period under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**Not applicable for the period under review**)
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (**Not applicable for the period under review**);
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable for the period under review**);
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ;

- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable for the period under review**);
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015: The Company has satisfactorily complied with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as applicable to the Company except that Company had made delay in furnishing notice and disclosure to the BSE as required under Regulation 60 (2) and 54 (3) of SEBI (LODR) Regulations, 2015 respectively.

The Company is a listed Company and provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are duly complied by the Company.

I further report that, as per the opinion of the officers of the Company and information provided by them there are following specific applicable laws on the basis of activities of the Company have been substantially complied with:

- a. Sugar Cess Act, 1982
- b. The Sugar (Control) Order, 1966
- c. The Sugarcane (Control) Order, 1966
- d. FSSA, 2006
- e. Essential Commodities Act, 1955
- f. Indian Boilers Act, 1923
- g. The Electricity Act, 2003
- h. The Legal Metrology Act, 2009

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. The Company has duly complied

with the Secretarial Standards for the period under review.

- (ii) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange Of India Limited, Mumbai in respect of Shares issued by the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. which are mentioned above.

We further report that:-

There are adequate systems and processes in the company commensurate with its size & operation to monitor and ensure compliance with applicable laws including general laws, labour laws, competition law and environmental laws.

The Board of Directors of the Company is duly constituted with proper balance of appointment of Independent Directors as required by Section 149 of the Companies Act, 2013.

Adequate notice is given to all directors about the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. All decisions at Board Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors.

We further report that during the audit period no major decisions, specific events/ actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

- a) Board of Directors of the Company through board resolution dated 24th May, 2022 approved to scheme of merger of Monica Trading Private Limited, Shree Renuka Agri Ventures Limited and Shree Renuka Tunaport Private Limited with the Company.
- b) The Company has passed following through postal ballot dated 29th June, 2022:
 - i. Material related party transaction with Wilmar Sugar India Private Limited (Ordinary Resolution)

- ii. Payment of annual remuneration to Independent Directors (Ordinary Resolution)
 - iii. Appointment of Mr. Arun Chandra Verma (DIN: 06981070) as an Independent Director of the Company (Special Resolution)
 - iv. Change in name of the Company from 'Shree Renuka Sugars Limited' to 'Shree Renuka Enterprises Limited' and consequential alteration to MOA and AOA of the Company (Special Resolution)
- c) The Company has passed following through postal ballot dated 25th March, 2023:
- i. Revision in limit of material related party transactions for FY 2022-23 (Ordinary Resolution)
 - ii. Material related party transactions for FY 2023-24 (Ordinary Resolution)

- iii. Re-appointment of Mr. Vijendra Singh (DIN: 03537522), Executive Director & Dy. CEO for a term of 5 years (Special Resolution)
- d) Other than the ones mentioned above, We further report that during the period under audit the Company has passed following special resolutions:
 - i. Appointment of Mr. Seetharaman Sridharan (DIN: 01773791) as an Independent Director.
 - ii. Appointment of Mr. Siraj Hussain (DIN: 05346215) as an Independent Director

**FOR DVD & ASSOCIATES
COMPANY SECRETARIES**

Devendra Deshpande

FCS No. 6099

CP No. 6515

PR No. 1164/2021

UDIN: F006099E000740712

Place: Pune

Date: 04.08.2023

ANNEXURE A

To,
The Members

Shree Renuka Sugars Limited

2nd and 3rd Floor, Kanakashree Arcade,
CTS No. 10634, JNMC Road, Neharu Nagar,
Belagavi Belgaum 590010

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

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

**FOR DVD & ASSOCIATES
COMPANY SECRETARIES**

Devendra Deshpande

FCS No. 6099

CP No. 6515

PR No. 1164/2021

Place: Pune

Date: 04.08.2023

Annexure III

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) of Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. Conservation of Energy

(i) Steps taken for conservation of energy:

1. Replaced HP/MV/MH Fittings with LED fittings and lamp at Athani, Havalga and Munoli.
2. Installed Variable Frequency Drive (VFD) for Mill Raw Juice Pump at Havalga and Munoli.
3. Installed an air-cooled condenser at Distillery Section at Munoli.
4. At Panchaganga lower capacity Vapour Line Juice Heater (VLJH) of HS 300m² was replaced with high capacity VLJH of 500m². Five Small Capacity Pan injection pumps were replaced with one high-capacity pan injection pump.
5. Installed Capacitors banks at MCC/motor end 90KVAR for Chopper #1 motor, 95KVAR for Chopper # 3, 2x15KVAR for Mill Aux. MCC #1 & 1x5KVAR for jackwell to increase power factor to over 0.90, thereby improving power factor at Athani Plant.

(ii) Steps taken by the company for utilizing alternate sources of energy:

1. Installation of Solar Water Heater of 4 x 500 Ltrs Capacity at colony guest house quarters in Athani plant to utilise green energy.
2. At Kandla Plant we are now using LPG gas in place of diesel for regeneration of Granular Activated Carbon.

(iii) Capital investment on energy conservation equipment:

Invested approximately INR 78 Mn for all energy conservation equipment.

B. Technology Absorption

(i) Efforts made towards technology absorption:

1. Installed Auxiliary Cane Carrier – One Auxiliary Cane Carrier installed for unloading machine

harvested cane, which helps to improve density of cane in cane carrier to make up the crush rate at Panchganga plant.

2. Installed GRPF on first Mill of Size 36" x 72" – GRPF installed on first Mill to increase feed-ability of 1st Mill & increase the crush rate as well as Primary Extraction at Panchganga plant.
3. Vacuum Crystallizers of smaller capacity 30 MT are replaced 60 MT Capacity for A & B massecuite at Panchganga plant.
4. Installed conditioning silo, automatic packing machine and containerized bulk packing system at Kandla.

ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

1. Installation of Auxiliary Cane Carrier & GRPF to improve crush rate at Panchganga plant.
2. Higher capacity vacuum crystallizers were installed at A & B Massecuite Pans at Panchganga plant.
3. Installation of Conditioning silo and automatic packing machine together aim at improving product quality and food safety aspect of refined Sugar at Kandla plant.
4. Details regarding imported technology (imported during last three years reckoned from the beginning of the financial year):

Following are the technology imported:

1. Design and supply conditioning equipment for conditioning silo at Kandla plant.
2. Container tilting machine at our Kandla Plant.
3. Automatic packing machine imported from Austria for Kandla Plant.

C. Expenditure incurred on Research and Development: Nil

D. Foreign Exchange Earnings and Outgo

*Foreign Exchange Earned: Rs. 61,090.96 Mn

Outgo of Foreign Exchange: Rs. 17,398.70 Mn

*Foreign Currency Earned means all foreign currency receipts during the year.

Annexure IV

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 are as under:

Sr. No.	Name of Director/KMP and Designation	% increase in Remuneration in FY 2022-23	Ratio of remuneration of each Director to median remuneration of employees
1.	Mr. Atul Chaturvedi Executive Chairman	58%	169
2.	Mr. Vijendra Singh Executive Director & Dy. CEO	38%	144
3.	Mr. Ravi Gupta Executive Director	NA	74
4.	Mr. Kuok Khoo Hong Non-Executive Director	-	-
5.	Mr. Jean-Luc Bohbot Non-Executive Director	-	-
6.	Mr. Charles Cheau Leong Loo Non-Executive Director	-	-
7.	Mr. Madhu Rao Independent Director	9%	3.52
8.	Mr. Dorab Mistry Independent Director (till 22 nd August 2022)	9%	3.52
9.	Mr. Bhupatrai Premji Independent Director (till 22 nd August 2022)	9%	3.52
10.	Dr. Bharatkumar Mehta Independent Director	9%	3.52
11.	Ms. Priyanka Mallick Independent Director	9%	3.52
12.	Mr. Siraj Hussain Independent Director (w.e.f 9 th August 2022)	NA	3.52
13.	Mr. S Sridharan Independent Director (w.e.f 9 th August 2022)	NA	3.52
14.	Mr. Tinniyam Kalyansundaram Kanan Alternate Director	-	-
15.	Mr. Sunil Ranka Chief Financial Officer	33%	76
16.	Mr. Deepak Manerikar Company Secretary	54%	16

2. In the financial year, there was an increase of 7% in the median remuneration of employees.
3. The numbers of permanent employees on the rolls of Company as on 31st March 2023 were 1977.

4. Average percentage increase in the salaries of employees other than the managerial personnel in the financial year 2022-2023 was 10% . Increments in remuneration of employees are as per the appraisal / Remuneration Policy of the Company.
5. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Notes:

1. Remuneration shown above comprises of salary, allowances, bonus, commission, perquisites, Leave encashment, contribution to Provident Fund, Superannuation Fund, Gratuity Fund etc., wherever applicable.
2. Mr. Atul Chaturvedi holds 6,75,000 equity shares whereas Mr. Vijendra Singh & Mr. Ravi Gupta does not hold any shares of the Company as on 31st March 2023.
3. Mr. Atul Chaturvedi, Mr. Vijendra Singh and Mr. Ravi Gupta are not related to any other Directors or to each other or to any employees of the Company.

Annexure V

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto

Form No. AOC-2

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

A. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended 31st March 2023, which were not at arm's length basis.

B. Details of material contracts or arrangement or transactions at arm's length basis

The following transactions were entered into by the Company with the related parties, which are not in the ordinary course of business and are on arm's length basis:

Name of related party and Nature of relationship	Date of approval by the Board	Nature of Contract	Duration of contract	Salient terms*	Amount paid as advance
Wilmar International Limited	11 th February 2022	Project engineering consultancy and advisory services, design and engineering services and any other services.	April 2022 - March 2023	Cost of rendering services plus a mark-up of 10%.	NA
Wilmar International Limited	13 th February 2023	Corporate guarantee fees	Jan - Mar 2023	USD 2,273,488	NA
Wilmar International Limited	11 th February 2022	Technical Service fee	Jan- Dec 2022	USD 360,000	NA
Wilmar International Limited	11 th February 2022	Business applications & IT Support services	Jan- Dec 2022	USD 33,096	NA
Wilmar International Limited	11 th February 2022	Sugar Software Licence	Year 2021 & Year 2022	USD 4,562.73 + USD 6,274	NA
Wilmar Sugar India Private Limited	11 th February 2022	Execution of management service agreement.	1 st January 2022 – 31 st March 2023	Service fees: Rs 100/- per tonne.	NA
Gokak Sugars Limited	25 th June 2021	Execution of Loan Agreement for Rs 120 Crores	180 months	Repayable in 180 month including moratorium period of 24 months at an interest @ 9% to 11% per annum.	NA

Name of related party and Nature of relationship	Date of approval by the Board	Nature of Contract	Duration of contract	Salient terms*	Amount paid as advance
Monica Trading Private Limited	25 th June 2021	Execution of Loan Agreement for Rs 50 Lakhs	Repayable in 10 years after moratorium of 12 months.	Interest @ 9% to 11% per annum, repayable in 10 years after moratorium of 12 months from the date of disbursal.	NA
Monica Trading Private Limited	25 th June 2021	Execution of Loan Agreement for Rs 30 Lakhs	Repayable in 10 years after moratorium of 12 months.	Interest @ 9% to 11% per annum, repayable in 10 years after moratorium of 12 months from the date of disbursal.	NA
KBK Chem-Engineering Limited	25 th June 2021	Execution of Loan Agreement for Rs 25 Crores	Repayable in 120 months after a moratorium of 12 months.	Interest @ 11% p.a., Repayable in 120 months after a moratorium of 12 months.	NA
Shree Renuka Tunaport Private	25 th June 2021	Execution of Loan Agreement for Rs 5 Lakhs	Repayable in 120 months after a moratorium of 12 months.	Interest @ 11% p.a., Repayable in 120 months after a moratorium of 12 months.	NA
Shree Renuka Agri Ventures Limited	11 th February 2022	Execution of Loan Agreement for Rs 5 Lakhs	Repayable in 120 months after a moratorium of 12 months.	Interest @ 9% p.a., Repayable in 120 months after a moratorium of 12 months.	NA
Wilmar Sugar India Private Limited (Wilmar Group Company)	24 th May 2022	Leave & License agreement with Wilmar Sugar India Private Limited for Delhi office from 1 st August 2022	36 months from the date of commencement of the agreement, subject to a lock in of 12 months, and can be terminated by giving a notice of 2 months by either party.	Rent: Rs. 12,000/- per month to be paid in advance every year with an increase of 5% after every 12 months, inclusive of society maintenance charges of Rs.2.50 p.sq.ft, per month. Security Deposit: Rs. 36,000/-	NA
Adani Wilmar Limited (Wilmar Group Company)	24 th May 2022	AVEVA Licenses transfer from Adani Wilmar Limited to Shree Renuka Sugars Ltd.	NA	\$ 26,700 USD	NA

Name of related party and Nature of relationship	Date of approval by the Board	Nature of Contract	Duration of contract	Salient terms*	Amount paid as advance
Adani Wilmar Limited (Wilmar Group Company)	24 th May 2022	Sale of RoDTEP scrips to Adani Wilmar Limited during the year 2022-23	To be entered into from time to time during the financial year 2022-23	INR 1000 Mn.	NA

*Appropriate approvals have been taken for related party transactions.

For and on behalf of the Board

Atul Chaturvedi
Executive Chairman
DIN: 00175355

Date: 11th August 2023
Place: Mumbai

Annexure VI**Annual report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23
(Pursuant to Section 135 of the Companies Act, 2013)****1. Brief outline on CSR Policy of the Company**

At SRSL, we believe that we are equally responsible to contribute to the society within which we operate and to positively impact the well-being of the people and sections of the society that need intervention to better their prospects.

The CSR Policy of the Company covers the proposed CSR activities in line with Section 135 of the Companies Act, 2013 and the Schedule VII thereto that are focused on education, healthcare, employability training and other community development initiatives.

The Board of Directors, at its meeting held on 9th August 2022, constituted the CSR Committee. The Composition of CSR committee as on 31st March 2023 are as given below:

S No.	Name of Committee Member	Category	Position
1.	Mr. Atul Chaturvedi	Executive Chairman	Chairman
2.	Dr. B V Mehta	Independent Director	Member
3.	Ms. Priyanka Mallick	Independent Director	Member
4.	Mr. Arun Chandra Verma	Independent Director	Member

2. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

<https://renukasugars.com/pdf/corporate-governance/policy-on-corporate-social-responsibility.pdf>

3. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)

Not applicable

4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs.)
		NIL	

5. Average net profit of the company as per Section 135(5): 437 Mn

- 6.** (a) Two per cent of average net profit of the company as per section 135(5): 8.74 Mn
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: NIL
- (d) Total CSR obligation for the financial year (7a+7b-7c): 8.74 Mn

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

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
9.66 Mn	NIL	NA	NA	NIL	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration.	Amount allocated for the project (in Rs.)	Amount spent in the current Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District						Name CSR Registration number
Not applicable											

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency
				State	District			Name CSR registration number
1.	Improving health care infrastructure	Promoting healthcare	Yes	Karnataka	-	57,10,000/-	Yes	Karnataka Govt. Health Department NA
2.	Contribution to the Kendriya Sainik Board	Measures for the benefit of armed forces veterans, war widows and their dependents	No	New Delhi	-	2,50,000/-	No	Armed Forces Flag day Fund CSR00011199
3.	Contribution for the welfare of differently abled children	Livelihood enhancement projects (for differently abled children)	Yes	Maharashtra	Mumbai, Thane, Nashik	2,50,000/-	No	The Association of Parents of Mentally Retarded Children (ADHAR) CSR00000230
4.	Organising medical camps in slum areas	Promoting health care including preventive health care and sanitation	Yes	Maharashtra	Mumbai	4,00,000/-	No	Jankalyan Foundation CSR00026411

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
5.	To support economically weaker section welfare, old age homes, orphanage, etc.	Measures for reducing inequalities faced by socially and economically backward groups.	Yes	Maharashtra	Mumbai	57,10,000/-	No	Vanshika Foundation	CSR00037934
6.	Improving health care infrastructure	Promoting healthcare	Yes	Karnataka	Raibag (Belagavi)	16,72,000/-	Yes	Raibag Polytechnic	-
7.	To improve the infrastructure of the polytechnic	Promoting education, including special education and employment enhancing vocation skills	Yes	Karnataka	Raibag (Belagavi)	3,28,000/-	Yes	Raibag Polytechnic	-
8.	Supporting initiatives for improving Agriculture yields	Ensuring environmental sustainability,	Yes	Maharashtra	Mumbai	10,00,000/-	No	The Solvent Extractors Association of India	CSR00008668
TOTAL						96,60,000/-			

(d) Amount spent in Administrative Overheads: **Not applicable**

(e) Amount spent on Impact Assessment, if applicable: **Not applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **9.66 Mn**

(g) Excess amount for set off, if any: Rs. 0.92 Mn

S I . No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	8.74 Mn
(ii)	Total amount spent for the Financial Year	9.66 Mn
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.92 Mn
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.92 Mn

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
Not applicable							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing

Not applicable

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

- a) Date of creation or acquisition of the capital asset(s): Not applicable
- b) Amount of CSR spent for creation or acquisition of capital asset: Not applicable
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not applicable
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not applicable

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)

Not applicable

Date: 11th August 2023
Place: Mumbai

Atul Chaturvedi
Executive Chairman

Annexure VII

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity** - L01542KA1995PLC019046
2. **Name of the Listed Entity** - Shree Renuka Sugars Limited
3. **Year of incorporation** - 1995
4. **Registered office address** - 2nd and 3rd Floor, Kanakashree Arcade, CTS No.10634, JNMC Road, Neharu Nagar, Belagavi – 590010, Karnataka
5. **Corporate address** - 7th Floor, Devchand House, Shiv Sagar Estate Dr. Annie Besant Rd, Worli, Mumbai – 400018
6. **E-mail** - groupcs@renukasugars.com
7. **Telephone** - 91-831-2404000
8. **Website** - <http://www.renukasugars.com/>
9. **Financial year for which reporting is being done** - 2022-23
10. **Name of the Stock Exchange(s) where shares are listed:**

Name of the Exchange	Stock Code
National Stock Exchange of India Ltd. (NSE)	RENUKA
BSE Ltd. (BSE)	532670

11. Paid-up Capital -

₹ 2,128 Mn

12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report

Mr. Deepak Manerikar- Company Secretary
 Shree Renuka Sugars Limited
 7th Floor, Devchand House, Shiv Sagar Estate
 Dr. Annie Besant Rd, Worli, Mumbai – 400018, Maharashtra, India
 Office: +91-22-40011400

13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). –

The disclosures made under this report are made on a standalone basis for Shree Renuka Sugars Limited.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Sugar	Manufacture, sale and marketing of sugar in various forms.	83.60%
2.	Generating Power	Power generated through cogeneration is sold to state government utilities, third parties	1.61%
3.	Manufacturing Ethanol	Manufacture, sale and marketing of distillery products such as Ethanol	13.96%

Note- The business activity of sugar is considered to be comprising of distillery and cogeneration, which are by-products during the process of manufacture of sugar.

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

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Sugar	10721	83.60%
2.	Ethanol	11019	13.96%
3.	Power	35106	1.61%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	8	4	12
International	NIL	NIL	NIL

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	15

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

The Company had 69.44% exports as a percentage of the total turnover during the reporting period.

c. A brief on types of customers

The Company has four types of consumers viz. Industrial consumers, Sugar Consumers for retail business, Distillery Consumers such as Oil Marketing Companies, Liquor Manufacturers, Pharmaceutical Companies and Electricity co-gen Consumers

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1023	990	96.77	33	3.23
2.	Other than Permanent (E)	43	43	100.00	0	0.00
3.	Total employees (D + E)	1066	1033	96.90	33	3.10
WORKERS						
4.	Permanent (F)	575	575	100.00	0	0.00
5.	Other than Permanent (G)	336	336	100.00	0	0.00
6.	Total workers (F + G)	911	911	100.00	0	0.00

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)					
2.	Other than Permanent (E)					
3.	Total differently abled employees (D + E)			NIL		
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)					
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)			NIL		

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	1	8.33
Key Management Personnel	5	0	0.00

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	19.92	25.81	20.09	13.67	21.43	13.87	13.63	3.92	13.38
Permanent Workers	15.85	0.00	15.85	8.41	0.00	8.41	10.66	0.00	10.66

V. Holding, Subsidiary and Associate Companies (including joint ventures)
21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the Holding/ Subsidiary / Associate companies/ Joint Ventures	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1.	Wilmar Sugar Holdings Pte. Ltd.	Holding	62.48	No
2.	Gokak Sugars Ltd.	Subsidiary	93.64	No
3.	Shree Renuka Agri Ventures Ltd.	Subsidiary	100.00	No
4.	Monica Trading Private Ltd.	Subsidiary	100.00	No
5.	Shree Renuka Tunaport Private Ltd.	Subsidiary	100.00	No
6.	KBK Chem Engineering Private Ltd.	Subsidiary	100.00	No
7.	Renuka Commodities DMCC, Dubai	Subsidiary	100.00	No
8.	Shree Renuka East Africa Agriventures	Subsidiary	99.99	No
9.	Shree Renuka Global Ventures Ltd	Associate	17.12	No
10.	Renuka Vale Do Ivai S/A	Associate	17.12	No
11.	Renuka Do Brasil S/A	Associate	17.12	No
12.	Lanka Sugar Refinery Company (Private) Ltd.	Associate	17.12	No

Companies mentioned in Sr. No. 10 to 12 above are subsidiaries of Shree Renuka Global Ventures Ltd., a Company in which Renuka Commodities DMCC holds 17.12% stake.

VI. CSR Details

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

(i) Turnover (in Rs.) – 85781 Million

(ii) Net worth (in Rs.) – 4,127 Mn

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	NA	NA	NA	NA	NA	NA	NA
Shareholders	Yes. The SEBI mechanism of SCORES is effectively in place – https://scores.gov.in . Also Shareholders can write to groupcs@renukasugars.com	88	0	The Complaints were routine in nature and resolved with the help of RTA	46	0	The Complaints were routine in nature and resolved with the help of RTA
Employees and workers	Yes. Escalation points – HOD to HR Head HR policies	Nil	Nil	NA	Nil	Nil	NA
Customers	YES	20	4	Complaints were majorly around quality and quantity of the product	55	0	Resolved all the complaints by the year end.
Value Chain Partners	Yes, Respective Heads of Operations dealing with different categories of Value Chain Partners resolve the grievances as per their internal SOPs	0	0	NA	0	0	NA

24. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emissions	Risk	The identification of Shree Renuka Sugars’ GHG emissions issue is driven by environmental impact, regulatory compliance, reputational risk, market expectations, cost savings, efficiency gains and competitive advantage. Addressing this issue presents an opportunity for sustainability and long-term resilience.	To mitigate the risk of GHG emissions at Shree Renuka Sugars, the company will set clear reduction targets, implement energy efficiency measures, adopt renewable energy sources, improve waste management, optimize transportation, engage employees in sustainability practices, collaborate with suppliers, ensure transparent reporting, and continuously monitor and improve its efforts to reduce emissions. These proactive steps will help the company lower its carbon footprint, comply with regulations, enhance its reputation, and contribute to a more sustainable future.	Negative
2	Product Quality & Safety	Risk	Identifying product quality and safety risks/opportunities is crucial for ensuring customer satisfaction, regulatory compliance, brand reputation, risk mitigation, market competitiveness, consumer health, supply chain management, innovation, and business resilience. Addressing these aspects leads to greater customer loyalty, market advantage, and long-term success.	To adapt or mitigate product quality and safety risks, Shree Renuka Sugars should implement a robust quality management system, comply with regulations, conduct product testing and inspection, assure supplier quality, monitor and audit continuously, conduct risk assessments, provide employee training, maintain transparent communication, establish prompt recall procedures, and learn from past incidents to prevent future ones. These measures will ensure customer satisfaction, protect the brand reputation, and enhance business resilience.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Energy Management	Risk	Identifying energy management risks and opportunities at Shree Renuka Sugars is essential for cost savings, environmental impact reduction, regulatory compliance, managing energy price volatility, ensuring resource availability, meeting stakeholder expectations, enhancing competitiveness, improving energy security, driving innovation, and achieving long-term sustainability goals.	To adapt or mitigate energy management risks, Shree Renuka Sugars should conduct an energy audit, set reduction targets, invest in energy-efficient technologies, provide employee training, explore renewable energy sources, implement demand-side management, use energy monitoring and automation, collaborate with energy suppliers, ensure regulatory compliance, and continuously improve energy practices. These measures will enhance energy efficiency, reduce costs, and contribute to the company's environmental sustainability goals.	Negative
4	Water & Wastewater Management	Risk	Identifying water and wastewater management risks and opportunities is crucial to ensure water availability, comply with regulations, reduce costs, enhance environmental performance, meet stakeholder expectations, ensure business resilience, and promote long-term sustainability.	To adapt or mitigate water and wastewater management risks, Shree Renuka Sugars should conduct a water audit, implement water recycling and conservation measures, invest in wastewater treatment, comply with regulations, provide employee training, engage stakeholders, collaborate with suppliers, develop resilience plans, and continuously improve water management practices. These efforts will ensure responsible water usage, reduce environmental impact, and enhance long-term sustainability.	Negative
5	Employee Health & Safety	Risk	Identifying employee health and safety risks and opportunities is essential to comply with legal obligations, protect employee well-being, improve productivity, reduce costs, enhance the company's reputation, and demonstrate commitment to social responsibility and sustainability.	To adapt or mitigate employee health and safety risks, Shree Renuka Sugars should conduct risk assessments, provide safety training and protocols, ensure proper use of PPE, implement hazard controls, establish, promote health and wellness programs, demonstrate management commitment, monitor safety performance, and engage employees in safety initiatives. These measures will create a safer work environment, prevent accidents, and enhance overall employee well-being and productivity.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Supply Chain Management	Risk	Identifying risks and opportunities in supply chain management enables Shree Renuka Sugars to anticipate and mitigate disruptions, optimize costs, maintain product quality, enhance resilience, build strong supplier relationships, improve sustainability practices, drive innovation, and gain a competitive advantage.	To adapt or mitigate supply chain risks, Shree Renuka Sugars should conduct risk assessments, diversify suppliers, evaluate supplier capabilities, create contingency plans, enhance supply chain visibility, collaborate with suppliers, promote sustainable practices, continuously improve processes, monitor regulations, and communicate with customers transparently. These measures will build a resilient and efficient supply chain, minimizing disruptions and enhancing overall performance.	Negative
7	Materials Sourcing & Efficiency	Risk	Identifying materials sourcing risks and opportunities is crucial for supply chain stability, cost optimization, product quality, sustainability, supplier relations, regulatory compliance, innovation, supply chain efficiency, business resilience, and customer satisfaction.	To adapt or mitigate materials sourcing risks, Shree Renuka Sugars should diversify suppliers, assess supplier capabilities, enhance supply chain visibility, consider long-term contracts, optimize inventory, promote sustainable sourcing, develop contingency plans, collaborate with suppliers, monitor compliance, and continuously improve sourcing processes. These measures will secure material supply, reduce disruptions, and enhance overall sourcing efficiency and sustainability.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available									

Policies available with the Company:

Name of the Policy	Web-link	Principles Mapped
Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Insiders	https://renukasugars.com/pdf/corporate-governance/srsl-pit-code-of-conduct-002.pdf	P1, P4, P7
Dividend Distribution Policy	https://renukasugars.com/pdf/corporate-governance/dividend-distribution-policy.pdf	P3, P4
Archival Policy	https://renukasugars.com/pdf/corporate-governance/archival-policy.pdf	P1
Familiarisation Programme for Independent Directors	https://renukasugars.com/pdf/corporate-governance/familiarisation_programme_for_independent_directors.pdf	P1
Policy on Corporate Social Responsibility	https://renukasugars.com/pdf/corporate-governance/policy-on-corporate-social-responsibility.pdf	P4, P8
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	https://renukasugars.com/pdf/corporate-governance/code-of-fair-diclosure-web-site.pdf	P1
Policy on Related Party Transactions	https://renukasugars.com/pdf/corporate-governance/tpt-policy-srsl.pdf	P1, P4, P7
Policy on Determining Material Subsidiaries	https://renukasugars.com/pdf/corporate-governance/policy-on-determining-material-subsidiaries.pdf	P1
Nomination and Remuneration Policy	https://renukasugars.com/pdf/corporate-governance/nomination-and-remuneration-policy-amended-9-8-2022.pdf	P3, P4
Code of Business Conduct and Ethics for Board of Directors and Senior Management	https://renukasugars.com/pdf/code-of-business-conduct-and-ethics.pdf	P1
Terms and Conditions of appointment of Independent Directors	https://renukasugars.com/pdf/corporate-governance/terms-and-conditions-of-appointment-of-independent-directors.pdf	P1
Vigil Mechanism / Whistle Blower Policy	https://renukasugars.com/pdf/corporate-governance/whistle-blower-policy.pdf	P1
Policy on Determination of Materiality for Disclosure of Events or Information	https://renukasugars.com/pdf/corporate-governance/policy-on-determination-of-materiality-for-disclosure-of-events-9-8-2022.pdf	P1, P4
Environment Health & Safety Policy	Internal	P2, P6
Talent Acquisition Process	Internal	P8
Workplace Health and Safety Policy	Formulated by Wilmar Group and adopted by the Company	P3
High Risk Work Policy	Formulated by Wilmar Group and adopted by the Company	P3, P5
Incident & Hazard Reporting Policy	Formulated by Wilmar Group and adopted by the Company	P3, P5
Human Resource Management Policy	Internal	P3
Policy for Prevention of Sexual Harassment	Internal	P5
Procurement Policy	Internal	P9
Training & Development Policy	Internal	P3
Cyber Security Policy	Internal	P9
Workman Compensation Policy	Internal	P3

2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	For our manufacturing units, we have obtained the following certifications: <ul style="list-style-type: none"> • Kandla - FSSC 22000 , AIB , Halal , Kosher , Export Inspection Council • Athani - FSSC 22000 & Halal • Kolavi - FSSC 22000 • Havalga - FSSC 22000 & Halal • Munoli - FSSC 22000 & Halal
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company's strategy and business model is based on climate protection, manpower welfare and good corporate governance. In its ESG Journey, Shree Renuka Sugars looks forward to set short, medium and long term targets for sustainability KPIs mentioned below:
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<ol style="list-style-type: none"> 1. Climate change mitigation 2. Energy conservation 3. Water management 4. Waste management 5. GHG reduction and 6. Value chain partners

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

A shift towards more sustainable living is not only shaping new trends in every industry and ours is not an exception. Today the variety of products where innovation is used necessitates producers to continuously improve quality and offer products with a lesser carbon footprint. While doing this, apart from the monetary factors, non-monetary aspects of sustainability are essential in all round growth of the Business. This brings us to the formal recognition to the best practices which are required to be followed by the corporate in the Environment, Social & Governance gamut.

The operations of the Company are carried on in a manner which ensure Zero Liquid Discharge. Secondly, the Company generates most of the energy required by its operation by using bagasse which ensures minimum carbon footprint. It is one of the biggest suppliers of ethanol to the Oil Marketing Companies, which will help the country reduce its carbon footprint in a big way, apart from planting trees in big numbers and engaging with farmers on drip irrigation techniques and other efficient methods for cultivation of sugarcane. In the coming years, the Company plans to gear up on its sustainability efforts by making processes more energy efficient, and find newer ways of contributing to reduction in its carbon footprint.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Vijendra Singh Executive Director & Deputy CEO
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Board of Directors as a whole is responsible for Sustainability related issues

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10
Performance against above policies and follow up action	Yes, the Board of Directors have reviewed the performance against all the above mentioned policies.									
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The compliance review has been carried out the Board of Directors and relevant Committees.									

Subject for Review	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10
Performance against above policies and follow up action	Periodically									
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Periodically									

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Yes, Dhir & Dhir Associates, an eminent legal firm, conducted an evaluation to assess the implementation and adequacy of policies. The evaluation primarily focused on the effectiveness of policy execution. Moreover, the policies undergo periodic evaluations and revisions led by department heads and business heads, followed by approval from the management or board. It is important to mention that internal auditors and regulatory bodies may review the processes and compliance measures, as necessary.								

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

Segment	Total Number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	5	Insider trading, SEBI LODR, Operational updates, Companies Act	100%
Key Managerial Personnel	Multiple trainings conducted with mixed set of employees & KMPs	The Company periodically updates and familiarises employees on the Code of Conduct which covers aspects such as Corporate Governance & Good Corporate Practices	100%
Employees other than BoD and KMPs		Behavioural training, Skill Development, Team Building, Webinars, Wellness month, Safety, Mock Drills, Induction programme and socialization	
Workers	Multiple trainings conducted	Health and Safety, Skill Upgradation	Health and Wellness – 76% (PY 69%) Skill Upgradation – 59% (PY 47%)

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

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

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

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
NIL	NIL

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

The Company has defined the Code of Conduct for its Directors and employees that cover issues related to ethics, workplace responsibilities and conflict of interest. The company has integrated ABAC clauses in Code of Conduct and is shared with stakeholders at the time of joining.

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

	FY 2022-23	FY 2021-22
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

Not Applicable

Leadership Indicators

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

Total number of awareness programs held	Topic/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	Nil	

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

Yes. The Company has laid down a Code of Conduct for all Board Members and senior management of the Company. The Code of Conduct has necessary provisions to avoid / manage conflict of interests. All Related Party Transactions are approved by due process of law.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe
Essential Indicators

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

	Current Financial Year	Previous Financial Year	Details of improvements in the environmental and social impacts
R&D			
Capex			

The Company strives to innovate & adopt technology in its processes, which will lead its operations environment & socially friendly; however the cost spent on it is inseparable.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. Under its sustainable sugarcane initiatives, the Company has set up several processes & mechanism to ensure sustainable sourcing. Establishment of Automatic Weather Station; Farmer Training-cum-Exposer Visit, Release of Trichogramma Chilonis for control of Early Shoot Borer (ESB); Process to arrest the spread of white root grub and to retain sugar cane crop unaffected; Distribution of Soil Moisture Indicator (SMI); Rainwater Harvesting are a few steps taken to ensure that the crop is sustainably sourced.

- b. If yes, what percentage of inputs were sourced sustainably?

The Company tries to source its entire input sustainably.

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

None of our Plastic waste, E-waste and/ or Hazardous Waste is reclaimed at the end of life. With respect to molasses, which is a byproduct of sugar, is fully used to produce ethanol for supply to Oil Marketing Companies for fuel blending programme of the Government of India, Bagasse remaining after crushing sugarcane is used as fuel to generate clean energy which is used internally and also exported to grids.

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

The Company is in compliance with the requirement of Plastic waste Management Rules, 2016 and subsequent amendments thereto. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board. Total EPR target for the Company during the reporting period was 1402.16 metric tons and was achieved.

Leadership Indicators

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

NIC Code	Name of Product/ Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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The company has not conducted any LCA as of now but it conducts an Environment Audit as per the parent group Wilmar policy, on yearly basis.

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

Name of Product/ Service	Description of the risk/ concern	Action Taken
		The company formulates action plan as per the Environment Impact Assessment. The company did not identify any risks after conducting the audit and there was no need for any preventive measure.

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
The company has taken up some projects on water for which the input material that is being used is reused water in the processes.	1000.6 million litres (52% of 1924 million litres)	855 million litres (42.24% of 2015 million litres)

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

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste			Not Applicable			Not Applicable
Hazardous Waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials (as percentage of products sold) for each product category.
	Not Applicable

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

Essential Indicators

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

	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Insurance		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	990	990	100.00	990	100.00	0	0.00				
Female	33	33	100.00	33	100.00	33	100.00			Nil	
Total	1023	1023	100.00	1023	100.00	33	3.22				
Other than Permanent Employees											
Male	43	43	100.00	43	100.00						
Female	0	0	0.00	0	0.00					Nil	
Total	43	43	100.00	43	100.00						

c. Details of measures for the well-being of workers:

	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Insurance		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	575	575	100.00	575	100.00						
Female	0	0	0.00	0	0.00					Nil	
Total	575	575	100.00	575	100.00						
Other than Permanent Employees											
Male											
Female										Nil	
Total											

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
	PF	97.47	99.67	Y	97.98	99.67
Gratuity	91.18	98.68	Y	92.60	98.81	Y
ESI	0.00	0.22	Y	0.00	0.43	Y
Others – Please specify	100% coverage in Term Life Insurance, Mediciam and Personal Accident Insurance All workmen are covered in Workmen Compensation					

3. Accessibility of workplaces

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

Yes, partially- some offices are equipped with ramps, lifts and other facilities for the differently abled and the Company is committed to make all plants and offices wheelchair friendly.

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

The Company is in the process of formulating an Equal Opportunity Policy and the same shall be uploaded on the company's website.

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

Gender	Permanent Employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100	100	NA	NA
Total	100	100	NA	NA

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. The workforce can approach their immediate supervisor/ manager in case of any grievances that they may have. From head of department to HR head – there are multiple stages available to the workforce to raise their grievances.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total Permanent Worker	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil

8. Details of training given to employees and workers:

	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)		
Employees										
Male	1033	539	52.18	677	65.54	1012	462	45.65	516	50.99
Female	33	7	21.21	21	63.64	29	5	17.24	20	68.97
Total	1066	546	51.22	698	65.48	1041	467	44.86	536	51.49
Workers										
Male	911	692	74.86	536	58.84	921	635	68.95	433	47.01
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Total	911	692	74.86	536	58.84	921	635	68.95	433	47.01

Note: Majority of our female workforce is employed in the corporate office.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1033	897	86.83	1020	856	83.92
Female	33	18	54.55	29	19	65.51
Total	1066	915	85.83	1049	875	83.41
Workers						
Male	911	911	100.00	913	873	95.62
Female	0	0	0.00	0	0	0.00
Total	911	911	100.00	913	873	95.62

10. Health and safety management system:

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

The company has its own OHS Policy that governs health and safety of its workers. HIRA register is being implemented and available at the sites.

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

Yes, the Company is HIRA and ISO 45001 certified and during the year, 3 meetings were conducted to review work-related hazards & assess the risk.

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

Yes, The Company has a common platform called as Enablon wherein the workers can directly access their user account and put in the hazards with control measures such as Electrical, mechanical, bio hazards, slip and trip hazard, fall hazard, etc. Regular trainings are conducted for the same.

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

Yes, through mediclaim the Company, promotes health and wellness for its employees.

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

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.36	2.48
	Workers	2.5	0.38
Total recordable work-relatedinjuries	Employees	16	11
	Workers	12	2
No. of fatalities	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excludingfatalities)	Employees	0	0
	Workers	0	0

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

The Company takes all the necessary measures to ensure a safe & healthy work place. After every Incident and Hazard identification, there is an action plan tracker and it tracks the actionables on periodic basis and closes the action points on risk rating basis. Further, continuous trainings and campaigns for employees and workers for explaining risks, hazards & its control measures are held. The Company, being certified under ISO 45001/2018 and 14001/2015 – takes all the required measures under it.

12. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

13. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	66.67%
Working Conditions	66.67%

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

Basis the assessments mentioned above, the Company has prepared action plan with respect to the following and shall be implemented in due course:

- (i) Fire Protection System
- (ii) Machine guarding

- (iii) Fall Protection
- (iv) Electrical safety
- (v) General Safety

Leadership Indicators

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

Yes, both employees and workers receive life insurance or compensatory packages in the event of death.

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

The Company ensures that its manpower suppliers comply with the statutory provisions, through regular audits done by Company representatives.

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

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 22-23	FY 21-22	FY 22-23	FY 21-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, the entity does not provide transition assistance programs to facilitate continued employability and career endings resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The Company ensures that there is a continuous drive on safety awareness like Tool box training, induction training, class room training on several topics, Campaigns, Electronic visual display, Display boards, signages, rewards etc. The company has a platform named Enablon to report and monitor all safety related incidents which helps mitigate the possible hazards.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholders are identified while conducting business operations of the organization and predominately include employees, farmers, shareholders, regulatory bodies, investors and customers, Pollution Control Board, Agri Ministry, SEBI, Petroleum Ministry etc. For each area of activity of the Company, the stakeholders are identified respectively.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	In person/ Email/ SMS/ meetings/ Notice Board/ HR Portal	Continued engagement/ Daily/Monthly/ Need basis	Employee connect session/ Health and Wellness
Customers	No	Email / SMS	Monthly/Quarterly/ Periodically need basis (at sales/service times)	Product related information
Suppliers	Yes	Email	Monthly	Follow up w.r.t order delivery and other deliverables
Investors	No	Email, Meetings	Periodically	Business Operations/ Governance
Analysts	No	Email, Meetings	Need Basis	Business Operations
Shareholders	No	Email, SMS, Newspaper Advertisement, Letters, Annual Report, Notices, Dissemination on Company's website and portals of Stock Exchanges	Periodically	Statutory requirement and for the benefit of the shareholders in terms of claiming their unclaimed dividend and for getting their KYC details, etc. updated in the system
Regulatory Bodies	No	Through returns / filings / submissions etc.	Periodically	For completing statutory compliance requirements
Community around our plants including school going children, village youths and family belonging to underprivileged section	Yes	Notice Board, Website, display on the locations	Periodically	Statutory Requirement, CSR activities

*Note- Migrant and Contract Workforce are considered as marginalized. MSME Suppliers considered as vulnerable and marginalized.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company often engages with different stakeholders to discuss a range of topics pertaining to its commercial operations on concerns like environmental, social, and governance. Additionally, it hires specialists to perform a thorough investigation and due diligence. The management then reviews the analysis report before resubmitting it, as necessary, to the board.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the Board advises the management on the actions to be done on the aforementioned themes and to incorporate the same in either current policies or construct new policies as necessary based on the talks between the Board and the management.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

No as there are no specific concerns raised or identified from such groups. The company remains committed to maintaining an inclusive approach and addressing any stakeholder concerns that may arise in the future.

PRINCIPLE 5: Businesses should respect and promote human rights

Essentials Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	1023					
Other than permanent	43			Nil. The Company shall conduct the trainings in the coming years		
Total Employees	1066					
Workers						
Permanent	575					
Other than permanent	336			Nil. The Company shall conduct the trainings in the coming years		
Total Workers	911					

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 22-23					FY 21-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1023	35	3.42	988	96.58	1005	47	4.67	958	95.32
Male	990	33	3.33	957	96.67	976	47	4.82	929	95.18
Female	33	2	6.06	31	93.94	29	0	0	29	100.00
Other than Permanent	43	8	18.60	35	81.39	36	8	22.22	28	77.78
Male	43	8	18.60	35	81.39	36	8	22.22	28	77.78
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent	575	18	3.13	557	96.87	569	15	2.64	554	97.36
Male	575	18	3.13	557	96.87	569	15	2.64	554	97.36
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	336	33	9.82	303	90.17	352	41	11.65	311	88.35
Male	336	33	9.82	303	90.18	352	41	11.65	311	88.35
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category (INR per month)	Number	Median remuneration/ Salary/ Wages of respective category (INR per month)
Board of Directors (BoD)	11#	32,10,000	1 [^]	1,00,000
Key Managerial Personnel	5	18,17,572	-	0
Employees other than BoD and KMP	1028	33,894	33	44,325
Workers	911	25,163	-	0

Out of 12 Directors, 6 Are independent directors. 3 Directors are Non- Executive and Non-Independent who do not get any remuneration and 3 Directors are Executive Directors also included in KMPs

The Median indicated above for BoD indicates remuneration paid to Executive Directors

[^] The Remuneration includes Commission paid to the Independent Director.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has established a dedicated focal point, either an individual or a committee, responsible for addressing human rights impacts or issues caused or contributed to by the business. This focal point takes proactive

measures to identify, assess, and address human rights concerns within the organization and its operations. They work to ensure compliance with human rights standards and implement appropriate remedial actions when necessary, fostering a culture of respect for human rights throughout the company.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

Yes the Company is dedicated to giving its workers and employees a safe and healthy working environment. The Company has a strong system in place that aids in preserving a safe work environment. To handle any potential issues, many committees have been established, including Grievance Committee, Internal Complaint Committee under POSH, Whistleblower Committee and their working is being monitored.

6. Number of Complaints on the following made by employees and workers:

	FY 22-23			FY 21-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other Human Rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

As of now, the company does not have specific mechanisms in place to prevent adverse consequences to the complainant in discrimination and harassment cases. However, the company is committed to addressing such cases seriously and ensuring a safe and respectful working environment for all employees. Any complaints related to discrimination and harassment are thoroughly investigated and appropriate actions are taken to address the concerns and ensure a fair resolution. The company is continuously reviewing its policies and practices to enhance its approach in handling such cases effectively in the future.

8. Do human rights requirements form part of your business agreements and contracts?

No, currently the Company does not take into consideration systems and procedures pertaining to human rights issue while finalizing vendors and supplier agreements.

9. Assessments for the year:

	% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100
Forced/involuntary labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints

Not applicable

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Nil. The Company has not conducted any human rights due diligence, however shall consider the same in coming years after assessing feasibility.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. The Company has made its premises accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	
Discrimination at workplace	
Child Labour	Nil
Forced Labour / Involuntary Labour	
Wages	
Others – Please Specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 22-23 (in GJ)	FY 21-22 (in GJ)
Total electricity consumption (A)	19,124.80	48,816.52
Total fuel consumption (B)	43,06,693.37	1,85,85,482.00
Energy consumption through other sources (C)	NA	NA
Total energy consumption (A+B+C)	43,25,818.17	1,86,34,298.52
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00005	0.000304

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There was no any independent assessment carried out during reporting period.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Not applicable. The Company does not have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 22-23	FY 21-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	15,09,480	11,44,865
(ii) Groundwater	1,22,648	4,70,866
(iii) Third party water	2,91,750	3,99,487
(iv) Seawater / desalinated water	NIL	NIL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)	19,23,879	20,15,218
Total volume of water consumption (in kilolitres)	19,23,879	20,15,218
Water intensity per rupee of turnover (Water consumed / turnover)	0.000022	0.000033

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There was no any independent assessment carried out during reporting period.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, distillery plants have the ZLD system in place. The (Effluent) raw spentwash is divided into two streams, one of which is processed in a bio-digester before being evaporated in multi-effect evaporators, and the other of which is burned in an incinerator boiler after first being evaporated in falling film evaporators and then concentrated in them. Intensive bio-methane from spentwash is used to make organic manure. Condensate polishing units with tertiary treatment are used in effluent treatment plants to treat spentwash condensate and spentlees generated during the distillation of ethanol. The cleaned wastewater is used in the distillery's cooling tower construction and processing. The blowdown from cooling towers is biologically treated before being sent through a RO plant. Reject water is sent to spentwash evaporators while RO permeate water is used for process.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format: *

Parameter	Please specify unit	FY 22-23	FY 21-22
NOx	kgs/year	1,53,078	1,29,650
SOx	kgs/year	1,40,234	1,22,687
Particulate matter (PM)	kgs/year	5,43,652	5,53,985
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There was no any independent assessment carried out during reporting period.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 22-23	FY 21-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	5,77,040.30	4,34,989.70
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1,68,334.28	1,26,352.93
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent/ Rupees	0.0000087	0.0000091

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There was no any independent assessment carried out during reporting period.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the Company has undertaken projects to reduce Green House Gas (GHG) emissions. Specifically, the Company has installed a solar power plant with a capacity of 125 KW at our Pathri Unit. The Company has taken steps to reduce energy consumption by installing LED bulbs across all their units. These initiatives are aimed at reducing the Company's carbon footprint and contributing to environmental sustainability by utilizing cleaner and more energy-efficient technologies.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 22-23	FY 21-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,402.16	0.00
E-waste (B)	1.00	4.87
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. (G)	0.96	2.42
- Used oil soaked cotton waste		
- Used oil and barrel		
Other Non-hazardous waste generated (H).	23,04,153.00	23,79,707.00
1. Bagasse		
2. Pressmud		
3. Ash		
4. Spentwash		
Total (A+B + C + D + E + F + G + H)	23,05,557.12	23,79,714.29
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		

Parameter	FY 22-23	FY 21-22
Category of waste		
(i) Recycled	23,04,153.00	23,79,707.00
(ii) Re-used	-	-
(iii) Other recovery operations- Recycling through vendor	0.57	0.61
Total	23,04,153.57	23,79,707.61
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.38	1.81
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	0.38	1.81

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There was no any independent assessment carried out during reporting period.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

The waste collection, storage & disposal is carried out as specified by the CPCB. Non-hazardous waste is used for composting internally regularly also used as fuel. Authorized waste collectors are lifting waste from sites and disposing the same by incinerating it.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
Not Applicable				

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
There is no EIA carried out during FY 2022-23					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant with the applicable environmental laws and regulations in India, including the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act, along with the rules thereunder. The company has obtained Consent for Operation under these acts, and there have been no instances of non-compliance reported. This indicates that the company is operating within the legal framework and adhering to the environmental guidelines, ensuring responsible environmental practices in its operations.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 22-23 (In GJ)	FY 21-22 (In GJ)
From renewable sources		
Total electricity consumption (A)	1,10,52,201.25	9,85,699.28
Total fuel consumption (B)	24,52,593.88	1,59,68,902.00
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	1,35,04,795.13	1,69,54,601.28
From non-renewable sources		
Total electricity consumption (D)	19,124.80	48,816.52
Total fuel consumption (E)	18,54,099.49	26,16,580.00
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	18,73,224.30	26,65,396.52

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There was no any independent assessment carried out during reporting period.

2. Provide the following details related to water discharged:

Parameter	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		

Parameter	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
(iv) Sent to third-parties	Yes	Yes
- No treatment		
- With treatment – Biologically followed by tertiary treatment	4,45,311	6,94,030
(v) Others	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	4,45,311	6,94,030

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There was no any independent assessment carried out during reporting period.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	Not Applicable	
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

Parameter	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
(i) Into Surface water		
- No treatment		Not Applicable
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There was no any independent assessment carried out during reporting period.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 22-23	FY 21-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not Assessed for the reporting period. The Company shall consider computing this in coming years	
Total Scope 3 emissions per rupee of turnover			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There was no any independent assessment carried out during reporting period.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable, however the Company takes into account the company's impact on bio-diversity due to its operations and activities.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Distillery effluent (concentrated spentwash) incineration Boiler - 2 X 75 TPH, Athani and Havalga Unit	Reuse of Distillery effluent as fuel for Boiler	Last FY (21-22) fossil fuel coal saving was 39,339 MT & for Current FY (22-23) it was 27,530 MT @ coal calorific value - 4800 kcal/kg
2	Installation condensate units (Effluent resue Plant)	Reuse of Distillery process condensate & sugar plant excess condensate	Last FY (21-22) reduction in the effluent discharge & saving in the water requirement was 8,54,866 KL & for Current FY (22-23), it was 10,00,660 KL

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Business Continuity Plan offers guidelines and processes to help process owners carry out the mentioned tasks in order to limit company operations disruptions and their effects on brand image. It presents a list of potential occurrences that, if they take place, could disrupt operations or discontinue supplying customers. Each risk event also includes potential "Risk Drivers" that could cause the risk to materialize. And yes, the Company does have a business continuity plan, with different plans for HR, Sales and Finance, among others.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

This parameter has not been assessed for the financial year 2022-23.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

This parameter has not been assessed for the financial year 2022-23.

PRINCIPLE 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a) Number of affiliations with trade and industry chambers/ associations.

The Company is part of 7 industry chambers/ associations.

- b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Sugar Mills Association (ISMA)	National
2	All India Sugar Trade Association (AISTA)	National
3	Refined Sugar Association (RSA)	National
4	South Indian Sugar Mills Association (SISMA)	Karnataka, Tamil Nadu and Andhra Pradesh
5	Western Indian Sugar Mills Association (WISMA)	Maharashtra
6	ASSOCHAM	National
7	Confederation of Indian Industry	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective active taken
Nil		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
NA					

PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
Not Applicable, as during the financial year 2022-23, the Company was not required to conduct Social Impact Assessment.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
Not Applicable. No Rehabilitation and Resettlement has been undertaken by the Company during the FY 2022-23.					

3. Describe the mechanisms to receive and redress grievances of the community

The Plant heads of each of our plant takes care of the grievances of the society around the plant.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	3,355.8	2,263.8
Sourced directly from within the district and neighbouring districts	Not assessed during the period under review.	

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

State	Aspirational District	Amount spent (In INR)
NIL		

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No. The Company does not give preference to, and does not discriminate with, any supplier.

- (b) From which marginalized /vulnerable groups do you procure?

Not Applicable

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective Action taken
Not applicable		

6. Details of beneficiaries of CSR Projects:

Sr. No	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Health infrastructure which includes donation of ambulances to local healthcare centres, contribution to armed forces flag day fund, contribution of welfare of differently abled children, donation to an NGO for education of children in slum areas	Not quantifiable because of nature of CSR projects	Apart from contribution to armed forces, everything

Note: Details of all initiatives taken towards all CSR activities taken is available in the CSR report which is annexed to the Annual report.

PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The company has a customer service team and various communication channels to receive and address consumer complaints and feedback. They register complaints, investigate issues, and aim for prompt resolutions. Feedback is valued for continuous improvement. The company strives to give an end to end solution to its consumers.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

- Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

- Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes, The Company has a draft framework/policy on cyber security and data privacy and is in the process of finalisation.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The Company provides information on its products and services through various channels and platforms. Customers and stakeholders can access details about their offerings on the official websites: "Renukasugars" (www.renukasugars.com), "Madhur Sugar" (www.madhursugars.com).

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company informs and educates consumers about safe and responsible product usage through their website, sharing MSDS with customers, and implementing clear labeling procedures.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company employs mechanisms such as emails and phone calls to inform consumers about any risk of disruption or discontinuation of essential services. By using these communication channels, the company ensures that customers are promptly notified of any potential issues, allowing them to take necessary actions or make alternative arrangements in case of service disruptions. This proactive approach helps maintain transparency and enhances customer satisfaction in critical situations.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, The Company displays additional product information beyond local law requirements. The company also conducts an annual customer satisfaction survey to gather feedback and improve the customer experience.

5. Provide the following information relating to data breaches:

- a) Number of instances of data breaches along-with impact

None during reporting period

- b) Percentage of data breaches involving personally identifiable information of customers

Nil during reporting period

The Company has taken numerous initiatives over the years & last year towards betterment of its ESG profile. The same are aligned to UN Sustainable Development Goals as under:

Sustainability Development Goals

Initiatives



SDG 3: GOOD HEALTH AND WELL BEING:

- HR initiated celebrations on National Safety Day, World Environment Day, World Food Safety Day, Wellness month and various other occasions where the celebrations were clubbed with sports, competitions, and group games.
- Various trainings/sessions for health and Safety of the Employees were initiated:
- Implementation of Lock Out Tag Out (LOTO): This training enables employees to protect themselves from injuries caused by machines that are being serviced or repaired.
- Self-contained Breathing Apparatus (SCBA) Implementation: This apparatus aids the employees in breathing while performing work in a confined space.
- Fall protection safety: Advanced fall protection systems were implemented in a phased manner at all sites to ensure better safety of employees.



SDG 4: QUALITY EDUCATION:

- The Company believes in the importance of education and has distributed primary school supplies and educational kits among students.
- The Company has taken initiatives in specific areas of Social Development which includes infrastructure facilities primary & secondary education/schools, skill development, vocational training, health & hygiene etc. mainly for the community around the Company's manufacturing locations



SDG 5: GENDER EQUALITY:

- Through the 'Sustainable Sugarcane Initiative, the company is increasing occupational health and safety awareness, primarily among women farmers.



SDG 6: CLEAN WATER AND SANITATION:

- The company implemented measures to reduce specific water consumption from natural sources and work on improving their water management. All the facilities are equipped with zero liquid discharge to enhance our sustainability measures. (10,00,660 KL of Reduction in water consumption).
- Formed an inter-unit committee with the objective of minimising freshwater consumption. It is done by enhancing the use of recycled water, which automatically reduces the use of water.
- The Company is treating environmental effluents and all its facilities are equipped with zero liquid discharge to enhance its sustainability measures
- The Company is also focusing its efforts towards improving access to clean water and consequently has ensured the supply of potable water by installing RO plants and borewell hand pumps as well as carried out refurbishment of ponds.

**Sustainability
Development Goals**

Initiatives



SDG 7: AFFORDABLE AND CLEAN ENERGY:

- For captive consumption, the company uses a large proportion of energy generated by their cogeneration units. Around 83% of the cogeneration process is renewable energy, resulting in a significant reduction in GHG emissions. (501 Mn KWH of clean energy generated).
- The Company has undertaken various power conservation initiatives during the year, mainly installation of LED bulbs in place of conventional bulbs, solar power plants and solar heaters. The Company installed 150 KWH Solar power plant at Pathri plant, 32 No. of 2.0 KWH capacity of solar heater at Athani Plant and 1,921 LED bulbs from 20 Watts to 200 Watts at all the plants. All this resulted in power saving of 2.85 Mn KWH during the year.
- The Company uses Distillery Plant waste-water spent wash which is generated during Ethanol production, as an alternative source of energy.
- The Company has made investments during the year for electricity conservation projects of Rs. 3.7 Mn. In six units installation of LED bulbs, in one unit installation of solar heater and in one unit installation solar power plant to conserve the energy 2.849 Mn kwh per year.
- Their cogeneration power plants convert bagasse, a by-product of the sugar manufacturing process, into electrical and thermal energy. Hence, the majority of their cogeneration process is powered through a circular economy that ultimately results in significant reductions in greenhouse gas emissions. A significant portion of the power generated is consumed captively within their plants, while the remainder is sold to the state electricity grid, other industries & in power exchanges.



SDG 8: DECENT WORK AND ECONOMIC GROWTH

- The company has recently conducted safety training on International Scaffolding Inspection held at the Athani Plant.
- They also conducted an event in Kolavi, Karnataka, where safety kits were distributed to sugarcane farmers. Gum boots, gloves, goggles, masks, and caps, among other items, were included in the safety kits to protect the farmers from accidents, cuts, and injuries while working in the fields.
- SPCC tank assessments, Stormwater management, Job safety environment analysis for all critical High-Risk Works have also been initiated at all sites to identify the gaps in the system and prepare plans to take necessary steps for its implementation
- The Company has undertaken various power conservation initiatives during the year, mainly installation of LED bulbs in place of conventional bulbs, solar power plants and solar heaters. The Company installed 150 KWH Solar power plant at Pathri plant, 32 No. of 2.0 KWH capacity of solar heater at Athani Plant and 1,921 LED bulbs from 20 Watts to 200 Watts at all the plants. All this resulted in power saving of 2.85 Mn KWH during the year.
- The Company also actively conducts numerous cane development activities such as enlightening our growers of the new methods of cane plantation and irrigation, and providing them with pesticides, organic manure and crops at subsidized rates.

Sustainability Development Goals

Initiatives



SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE:

- The Company also minimised air pollution around our units through the installation of electrostatic precipitators, which control the air quality by bringing down particulate matter content to the standard prescribed limits.
- SRSI has installed fully automated weather stations at Athani (2) and Kolavi (2) to provide climatic updates and necessary steps to farmers associated with the organization. The weather stations are strategically located to cover all SRSI farmers. Predictions from AWS are used to generate advisories, which are circulated to 10,000 farmers via IVR and WhatsApp.



SDG 11: SUSTAINABLE CITIES AND COMMUNITIES:

- Under the Sustainable sugarcane cultivation Joint Project in Athani and Kolavi, training sessions are conducted at the village level for 24 days a month. Two meetings are held each day to address various topics. Additionally, regular meetings are held with farmers to address routine issues they encounter.
- In the Havalga unit, field days and farmers' training/awareness programs were conducted. Expert entomologists and plant pathologists were invited to deliver lectures on managing pests like White fly and Root Grub, as well as diseases like Rust and Smut in sugarcane crops.
- 206 farmers (120 from Athani and 86 from Kolavi) were trained on various topics related to sugarcane cultivation at S. Nijalingappa Sugar Institute, Belagavi. The training included field demonstrations, distribution of a Sugar Cane handbook, and providing soil moisture indicators for practical use.



SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION:

- World class refinery in their Kandla unit has received the prestigious AIB standard certification, as a testament to the company's commitment to produce safe and hygienic sugar.
- Installed incineration boilers at all distilleries as a step towards achieving better utilisation of spent wash. After extracting energy from spent wash, the potash rich fly ash generated from these incineration boilers can be used as a source of potash nutrition for agricultural green belt development.
- The Company also actively conducts numerous cane development activities such as enlightening our growers of the new methods of cane plantation and irrigation, and providing them with pesticides, organic manure and crops at subsidised rates.
- Their sugar mills are fully integrated to process sugarcane and manufacture sugar using a sulphur-free process, enabling them to provide their customers with superior quality products.
- The company distributed 50 battery operated spray pumps (Athani 26 & Kolavi 24) to promote spraying of nutrients, biofertilizers.

**Sustainability
Development Goals**

Initiatives



SDG 13: CLIMATE ACTION:

- Their cogeneration power plants convert bagasse, a by-product of the sugar manufacturing process, into electrical and thermal energy. Hence, the majority of their cogeneration process is powered through a circular economy that ultimately results in significant reductions in greenhouse gas emissions. A significant portion of the power generated is consumed captively within their plants, while the remainder is sold to the state electricity grid, other industries & in power exchanges.
- The Company also minimizes air pollution around their units through the installation of electrostatic precipitators, which control the air quality by bringing down particulate matter content to the standard prescribed limits.
- The Company is treating environmental effluents and all its facilities are equipped with zero liquid discharge to enhance its sustainability measures
- For captive consumption, the company uses a large proportion of energy generated by their cogeneration units. Around 83% of the cogeneration process is renewable energy, resulting in a significant reduction in GHG emissions. (501 Mn KWH of clean energy generated).



SDG 15: LIFE ON LAND:

- Planted trees in all of their units to help lower pollution levels. Additionally, environmental awareness posters and banners have been placed in prominent positions throughout the units to raise employee awareness, every year; the company also commemorates World Environment Day by planting trees in and around the company's operations. To reduce air pollution levels, the Company has planted a total of 10,217 trees across all its units
- As part of the smart Agri project, Drip irrigation systems were distributed and installed in 5 demo plots across different villages in Athani and Kolavi units, near the Weather Stations. These demo plots showcased the benefits of micro irrigation systems and improved agronomical practices in sugarcane cultivation. Each field staff maintained two demo plots, consisting of one Plant crop and one Ratoon crop. The demo plots yielded positive results, leading to the selection of a few successful farmers from various villages. Senior officials from Shree Renuka Sugars Ltd. released books highlighting these success stories.

Sustainability Development Goals



Initiatives

SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS:

- The Havalga Plant of the company has been selected for the 'Best Safe Industry- Sugar Category' award at 52nd National Safety Day Celebration, organized by the Government of Karnataka and the Directors of Factories Kalburgi Division Industrial safety committee.
- The Athani unit of the company has won the 2nd prize in the state level safety award for 'Best Industries' in the large industries category.
- The SRSL's Kandla Unit has been recognized for its commitment to food safety, receiving the prestigious CII National Food Safety Award in the large manufacturing sector.
- World class refinery in their Kandla unit has received the prestigious AIB standard certification, as a testament to the company's commitment to produce safe and hygienic sugar.
- Madhur Pure & Hygienic Sugar, their flagship brand has received the award of being the largest sugar brand in the country.
- Shree Renuka Sugars Ltd. has been conferred with the national award for Leadership & Excellence (8th Edition) by the #WorldHRDCongress in the Category of Operational Performance Excellence.
- They are also recognized and awarded as the Maharashtra State Best Employer Brand 2022.
- Shree Renuka Sugars Limited has been recognized as one of 'The Economic Times - Sustainable Organizations 2022.'



SDG 17: PARTNERSHIPS FOR THE GOALS:

- With the help of the CocaCola Foundation, The Company is collaborating with Solidaridad Asia to develop a project for sustainable sugarcane production in the districts of Karnataka, Belgaum and Gulbarga. (The project's main focus is on training and capacity building in order to improve sugarcane yield through judicious use of agricultural inputs, increased irrigation efficiency, and timely information at each stage of plant growth.)
- The Company has partnered with Solidaridad, a Dutch non-profit organisation that assists sugarcane farmers in adopting sustainable practices and imparts training to them. The trainings are designed in a way that the adoption of these methods raises productivity levels, contributing towards economic development of the farmers. These methods contribute towards the progress of the farming community.

CORPORATE GOVERNANCE REPORT

1. Philosophy

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Shree Renuka Sugars Limited ("the Company") is committed to good governance practices that create long term sustainable shareholder value. The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its shareholders, employees, the Government and the lenders. The Company believes in adopting the best practices that are followed in the area of Corporate Governance across various geographies. The Company ensures to comply with the requirements of Corporate Governance listed in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

2. Board of Directors

The Company's policy is to maintain optimum combination of Executive and Non-Executive

Above information as on 31st March 2023 or for the year 2022-23, as applicable, are given herein below:

Name	DIN	Nature of Directorship	Board Meetings Attended		Whether attended last AGM	Number of Directorships in other Companies	Number of Committee positions held in other Public Companies		No. of Shares held
			Held during the Year/ Tenure	Attended			Member	Chairman	
Mr. Atul Chaturvedi	00175355	Executive Director (Chairman)	5	5	Yes	2	-	-	6,75,000
Mr. Vijendra Singh	03537522	Executive Director	5	5	Yes	3	-	-	-
Mr. Ravi Gupta	00133106	Executive Director	5	5	Yes	1	-	-	-
Mr. Kuok Khoon Hong ^A	00021957	Non-Executive Director	5	2	No	1	1	-	-
Mr. Jean-Luc Bohbot	06857132	Non-Executive Director	5	4	No	-	-	-	-
Mr. Charles Cheau Leong Loo	08737827	Non-Executive Director	5	4	No	-	-	-	-
Mr. Madhu Rao ^A	02683483	Independent Director	5	5	Yes	3	4	1	-
Dr. B. V. Mehta	00895163	Independent Director	5	5	Yes	3	-	-	1,60,500
Ms. Priyanka Mallick	06682955	Independent Director	5	5	No	-	-	-	-
Mr. Arun Chandra Verma @	06981070	Independent Director	5	5	No	-	-	-	-
Mr. Seetharaman Sridharan # ^A	01773791	Independent Director	3	3	No	1	-	-	-

Directors. As on 31st March 2023, Company's Board has a strength of 12 (Twelve) Directors, comprising of 3 (Three) Executive Directors, 3 (Three) Non-Executive Directors and 6 (Six) Independent Directors. The Company also has 1 (One) Alternate Director (Non-Executive Non Independent) on its Board of Directors. The Chairman of the Board is an Executive Director and half of the Board members consist of Independent Directors.

The Board held five meetings during the year and the gap between any two meetings did not exceed one hundred and twenty days. The Board meetings were held on 24th May 2022, 9th August 2022, 10th November 2022, 27th January 2023 and 13th February 2023.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other Indian public companies and number of shares held by them as on 31st March 2023, are given herein below:

Name	DIN	Nature of Directorship	Board Meetings Attended		Whether attended last AGM	Number of Directorships in other Companies	Number of Committee positions held in other Public Companies		No. of Shares held
			Held during the Year/ Tenure	Attended			Member	Chairman	
Mr. Siraj Hussain #	05346215	Independent Director	3	3	No	1	1	-	
Mr. TK Kanan \$	00020968	Alternate Director	3	3	No	-	-	-	-
Mr. Dorab Mistry %	07245114	Independent Director	2	2	NA	1	-	-	-
Mr. Bhupatrai Premji ^	07223590	Independent Director	2	2	NA	-	-	-	-

@ Appointed as Independent Non-Executive Director of the Company with effect from 1st April 2022

Appointed as Independent Non-Executive Director of the Company with effect from 9th August 2022

\$ Appointed as Alternate Director to Mr. Kuok Khoon Hong, Non-Executive Director of the Company with effect from 19th May 2022

% Ceased to be Director with effect from 22nd August 2022 on completion of second term

^ Directorship in other listed companies are as follows

1. Mr. Kuok Khoon Hong is a Non-Executive Director in Adani Wilmar Limited.
 2. Mr. Madhu Rao is an Independent Director in Adani Wilmar Limited.
 3. Mr. Seetharaman Sridharan is a Non-Executive Director in Lancor Holdings Limited
- Other directorships include directorships in all public companies except foreign companies and companies under Section 8 of the Companies Act, 2013.
 - In accordance with Regulation 26 of the Listing Regulations, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered. None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees across public in which they are Director.

There are no inter-se relationships between the Board members. In the opinion of the Board, the Independent Directors fulfill the conditions as specified in the Listing Regulations and are independent of the management.

The Company has familiarized its Independent Directors regarding the Company, their roles, rights, responsibilities and liabilities in the Company. During the year, the Directors were also familiarized with key changes in corporate laws and other relevant laws. The familiarisation programme along with details of the same imparted to the Independent Directors during the year are available on the website of the Company at https://renukasugars.com/pdf/corporate-governance/familiarisation_programme_for_independent_directors.pdf

During the year under review, none of the Independent Directors of the Company resigned before the expiry of their tenure.

Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 ("the Act") and Regulation 25 of Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14th March 2023.

3. List of Core Skills/Expertise/Competencies identified by the Board of Directors

The Nomination and Remuneration/Compensation Committee recommends appointment of a person possessing requisite skill sets, to be appointed as a Director of the Company. Additionally, the NRC also recommends such appointment if the person possesses knowledge and in-depth experience of the business in which the Company operates or has experience in the areas of business strategy, accounts & finance, audit, commerce & industry, regulatory affairs, agri research & innovation and other related aspects of the Company's business. Only those persons who possess the relevant industry skill or having specialisation in a relevant area are recommended for appointment as a Director of the Company.

The Board of Directors have identified the following core skills/expertise/competencies of the Directors of the Company, as required in the context of its business and sector for it to function effectively, and the Members of the

Board possess the requisite skills as mentioned below:

Skills/expertise/competence	Whether available with the Board or not?	Name of Director having skill / expertise / competence
Industry knowledge/experience		
Experience	Yes	All Directors
Industry knowledge	Yes	All Directors
Understanding of relevant laws, rules, regulation and policy"	Yes	All Directors
International Experience	Yes	Atul Chaturvedi Vijendra Singh Ravi Gupta Kuok Khoon Hong Jean-Luc Bohbot Charles Loo Cheau Leong Madhu Rao Dr. B V Mehta Seetharaman Sridharan TK Kanan
Technical skills/experience		
Finance & Accounts	Yes	Madhu Rao Charles Loo Cheau Leong Seetharaman Sridharan
Risk management	Yes	Atul Chaturvedi Vijendra Singh Ravi Gupta Charles Loo Cheau Leong Madhu Rao Seetharaman Sridharan
Business Development and Business Strategy	Yes	Atul Chaturvedi Vijendra Singh Ravi Gupta Kuok Khoon Hong Jean-Luc Bohbot Dr. B V Mehta Priyanka Mallick Siraj Hussain TK Kanan
Behavioral Competencies		
Integrity and ethical standards Mentoring abilities and Interpersonal relations	Yes	All Directors

4. Committees of the Board

Keeping in view the better Governance and focused discussion, the Board has constituted various committees with specific terms of the reference and scope. The details of the committees constituted by the Board are given below:

AUDIT COMMITTEE

- i. The Board has constituted the Audit Committee in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Act.
- ii. The terms of reference & powers of the Audit Committee are broadly as under:
 - a. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
 - b. Recommending to the Board, the appointment/re-appointment, remuneration and terms of appointment of Auditors of the company and approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - c. Reviewing with the management the quarterly, half-yearly and annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - Any changes in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with accounting standards.
 - d. Qualifications in the audit report;
 - e. Reviewing, with the management, the statement of uses / application of funds raised through public issue, rights issue, preferential issue, etc., and the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - f. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - g. Approval or any subsequent modification of transactions of the Company with Related Parties;
 - h. Scrutiny of inter-corporate loans and investments;
 - i. Valuation of undertakings or assets of the Company, wherever it is necessary;
 - j. Reviewing with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
 - k. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - l. Discussion with internal auditors on any significant findings and follow up thereon;
 - m. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - n. Discussion with the statutory auditors before the audit commences on the nature and scope

of audit as well as post-audit discussion to ascertain any area of concern;

- o. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- p. Review the functioning of the Whistle Blower mechanism;
- q. Approval of appointment of Chief Financial Officer (CFO) (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- r. Evaluation of Risk Management systems;
- s. Monitoring the end use of funds raised through public offers and related matters;
- t. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- u. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or as may be required by the Board.
 - iii. The Audit Committee invites such executives, as it considers appropriate, representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings. The Company Secretary of the Company acts as the Secretary to the Audit Committee.
 - iv. The previous Annual General Meeting (AGM) of the Company was held on 16th September 2022 and was attended by Mr. Madhu Rao, Chairman of the Audit Committee.
 - v. The Audit Committee as on 31st March 2023 comprises of three Independent Directors and one Non-Executive Director, all of whom are financially literate and possess accounting and/or financial management expertise. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name of the Director	Category	No. of meetings attended	
		Held during the Year/ Tenure	Attended
Mr. Madhu Rao (Chairman)	Independent Director	5	5
Mr. Charles Loo Chau Leong	Non-Executive Director	5	5
Dr. B. V. Mehta @	Independent Director	3	3
Mr. Seetharaman Sridharan #	Independent Director	1	1
Mr. Dorab Mistry\$	Independent Director	2	2

@ Appointed as member of the Committee with effect from 9th August 2022

Appointed as member of the Committee with effect from 13th February 2023

\$ Ceased to be a member of the Committee with effect from 10th August 2022

The Audit Committee held five meetings during the year and the gap between any two meetings did not exceed one hundred and twenty days. The Audit Committee meetings were held on 23rd May 2022, 8th August 2022, 10th November 2022, 13th February 2023 and 23rd February 2023.

NOMINATION & REMUNERATION / COMPENSATION COMMITTEE

- i. The Board has constituted the Nomination and Remuneration/Compensation Committee ("NRC") in line with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Act.
- ii. The terms of reference & powers of the NRC are broadly as under:
 - a. To identify persons who are qualified to become directors and who may be appointed in senior management of the Company in accordance with the criteria laid down, recommend to the Board their appointment and removal;
 - b. To carry out the performance evaluation of individual Director, the Committees and of the Board;
 - c. To formulate the criteria for determining qualifications, positive attributes and independence

of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;

d. While formulating such policy, Nomination & Remuneration/Compensation Committee shall ensure that -

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance, objectives appropriate to the working of the company and its goals.

e. To take into account financial position of the company, trend in the industry, appointees qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders;

f. Devising a policy on Board diversity

g. To undertake specific duties as may be prescribed by the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and or as may be prescribed by the Board of Directors of the Company, from time to time;

h. To obtain outside legal or other professional advice to assist in connection with its functions, if necessary;

i. Employee Stock Option Plan (ESOPs):

- To formulate Employee Stock Option Plan and from time to time to grant options to eligible employees;
- To decide the quantum of options to be granted to any employee and in aggregate under any of the Employee Stock Option Plans that may be formulated by the Committee;
- To decide the conditions under which the options granted to employees may lapse;

- To determine Exercise Price of the options to be granted under Employee Stock Option Plan;
 - To determine and specify the vesting period and the Exercise Period in any of the Employee Stock Option Plans;
 - To dispose of, at its sole discretion and in the interest of the Company, the options not applied for, by the employees offered under various ESOPs;
 - To decide the procedure for making fair and reasonable adjustment to the number of options and to the exercise price in case of right issue / bonus issue, other corporate actions or otherwise;
 - To determine the terms and conditions of ESOP and to do any other related or incidental matter thereto
- j. To recommend to the board, all remuneration, in whatever form, payable to senior management.

The composition of the Committee and the details of meetings attended by its members are given below:

Name of the Director	Category	No. of meetings attended	
		Held during the Year/ Tenure	Attended
Dr. B. V. Mehta (Chairman) @	Independent Director	1	1
Mr. Madhu Rao	Independent Director	3	3
Mr. Jean-Luc Bohbot@	Non-Executive Director	3	0
Mr. Dorab Mistry (Chairman) #	Independent Director	2	2
Mr. Bhupatrai Premji%	Independent Director	2	2

@ Appointed as member of the Committee with effect from 9th August 2022

Appointed as a member and chairman of the Committee with effect from 1st April 2022 and ceased to be a member of the Committee with effect from 10th August 2022

% Ceased to be a member of the Committee with effect from 10th August 2022

The NRC held three meetings during the year on 24th May 2022, 9th August 2022 and 13th February 2023.

Details of remuneration paid/payable to Directors of the Company for the year ended 31st March 2023:

(₹ in Million)

Name	Salary / Perquisites	Retirement Benefits	Bonus / Ex- Gratia	Commission	Performance Incentive	Sitting Fee	Others/ Remuneration	Total	Service Contract/ Stock options granted / Notice period / Severance Fees
Mr. Atul Chaturvedi (Executive Chairman)	34.60	0.00	1.82	-	21.25	-	-	57.67	Term of office valid upto 29 th October 2026. 3 months' Notice period or severance fees equal to 3 months remuneration in case the Company waives the notice period of Mr. Chaturvedi.
Mr. Vijendra Singh (Executive Director & Dy. CEO)	34.68	0.70	1.67	-	12.00	-	-	49.05	Term of office valid upto 9 th May 2028. 3 months' Notice period or severance fees equal to 3 months remuneration in case the Company waives the notice period of Mr. Singh.
Mr. Ravi Gupta (Executive Director)	17.42	1.07	0.74	-	5.91	-	-	25.14	Term of office valid upto 27 th October 2026. 3 months' Notice period or severance fees equal to 3 months remuneration in case the Company waives the notice period of Mr. Gupta.
Mr. Kuok Khoon Hong (Non-Executive Director)	-	-	-	-	-	-	-	-	-
Mr. Jean-Luc Bohbot (Non-Executive Director)	-	-	-	-	-	-	-	-	-
Mr. Charles Cheau Leong Loo (Non-Executive Director)	-	-	-	-	-	-	-	-	-
Mr. Madhu Rao (Independent Director)	-	-	-	-	-	1.20	0.63	1.83	-
Dr. B. V. Mehta (Independent Director)	-	-	-	-	-	1.20	0.38	1.58	-
Ms. Priyanka Mallick (Independent Director)	-	-	-	-	-	1.20	0.28	1.48	-

Name	Salary / Perquisites	Retirement Benefits	Bonus / Ex- Gratia	Commission	Performance Incentive	Sitting Fee	Others/ Remuneration	Total	Service Contract/ Stock options granted / Notice period / Severance Fees
Mr. Arun Chandra Verma @	-	-	-	-	-	1.20	0.28	1.48	-
Mr. Seetharaman Sridharan #	-	-	-	-	-	0.77	0.20	0.97	-
Mr. Siraj Hussain #	-	-	-	-	-	0.77	0.18	0.95	-
Mr. Dorab Mistry * (Independent Director)	-	-	-	-	-	0.47	0.20	0.67	-
Mr. Bhupatrai Premji * (Independent Director)	-	-	-	-	-	0.47	0.15	0.62	-
Mr. TK Kanan (Alternate Director) \$	-	-	-	-	-	-	-	-	-

@ Appointed as Independent Non-Executive Director of the Company with effect from 1st April 2022

Appointed as Independent Non-Executive Director of the Company with effect from 9th August 2022

\$ Appointed as Alternate Director to Mr. Kuok Khoon Hong, Non-Executive Director of the Company with effect from 19th May 2022

% Retired from the Company with effect from 22nd August 2022 on completion of second term

The Non-Executive Directors of the Company do not have any pecuniary relationship or transactions with the Company.

Nomination and Remuneration Policy of the Company is appended as **Annexure 1** to the Board's Report. The Remuneration paid to the Directors of the Company is in line with the remuneration policy and applicable laws.

Performance Evaluation

Pursuant to the provisions of the Act and Listing Regulations, the Board of Directors has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees.

Criteria for payment to Non-Executive / Independent Directors

Independent Directors are paid sitting fees of ₹ 50,000/- for attending each meeting of the Board and ₹ 25,000/- for attending each committee meeting. The remuneration of Independent Directors is decided based on number of factors including attendance in the meetings, contribution in the Board and Committee meetings, involvement in decision-making process etc.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

- i. The Board has constituted the Stakeholders' Relationship Committee ("SRC") in line with the provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Act, to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/ notices/ annual reports, etc.
- ii. The broad terms of reference of the Committee are as under:
 - a. To look into the redressal of grievances of shareholders, debenture holders and other security holders and to consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares / debentures, transmission / transposition / nomination of shares / debentures, dematerialization / rematerialisation of shares / debentures, non-receipt of annual report, non-receipt of dividends / interest / principal on shares and debentures, sub-divide, consolidate and issue share certificates / duplicate share / debenture certificates, etc.;
 - b. To look into matters that can facilitate better investor services and relations;
 - c. Review of measures taken for effective exercise of voting rights by shareholders;

- d. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- e. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

The composition of the SRC and the details of the meetings attended are given below:

Name of the Director	Category	No. of meetings	
		Held during the Year/ Tenure	Attended
Mr. Madhu Rao (Chairman)	Independent Director	4	4
Mr. Atul Chaturvedi	Executive Director	4	4
Mr. Jean-Luc Bohbot	Non-Executive Director	4	3

The SRC held four meetings during the year on 24th May 2022, 9th August 2022, 10th November 2022 and 13th February 2023. Mr. Deepak Manerikar is the Company Secretary & Compliance Officer of the Company.

- i. Details of investor complaints received and redressed during the year 2022-23 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
0	88	88	0

There was no complaint which was not resolved to the satisfaction of shareholders.

RISK MANAGEMENT COMMITTEE

- i. The Board has constituted the Risk Management Committee in line with the provisions of Regulation 21 of the Listing Regulations.
- ii. The terms of reference/roles of the Committee are as follows:
- a. Ensure that the Company has a Risk Management Policy(ies) in place to identify, assess, mitigate and monitor the existing as well as potential risks to the Company.

- b. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- c. Periodically, but at least once in 2 years, monitor and review the risk management policy, including by considering the changing industry dynamics and evolving complexity.
- d. Periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard.
- e. Ensure that the Company's Risk Management Policy includes an effective Risk Management Framework in place for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee and annually review the Risk Management Framework of the Company.
- f. Ensure that the Risk Management Policy contains Measures for risk mitigation including systems and processes for internal control of identified risks and a Business Continuity Plan.
- g. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company, review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- h. To review and periodically assess the Company's performance against identified risks.
- i. Evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner.
- j. Evaluate risks related to cyber security and ensure appropriate procedures are placed to mitigate these risks in a timely manner.
- k. Coordinate its activities with other Committee in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.
- l. To keep the board of directors informed about the nature and content of its discussions,

recommendations and actions to be taken.

- m. Authority to access internal information necessary to fulfill its oversight role and to obtain advice and assistance from internal or external legal, accounting or other advisors.
 - n. To oversee at such intervals as may be necessary, the adequacy of resources of the Company to perform its risk management responsibilities and achieve its objectives.
 - o. Form and delegate any of its authorities to sub-committees formed by it, whenever it deems appropriate.
 - p. Authority to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
 - q. To approve appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
 - r. Such other items as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time.
- iii. The composition of the Risk Management Committee and the details of the meetings attended are given below:

Name of the Director	Category	No. of meetings attended	
		Held during the Year/ Tenure	Attended
Mr. Atul Chaturvedi (Chairman)	Executive Director	2	2
Mr. Ravi Gupta	Executive Director	2	1
Mr. Madhu Rao	Independent Director	2	2
Mr. Sunil Ranka	Chief Financial Officer	2	2

The Risk Management Committee has held two meetings during the year on 20th July 2022 and 16th January 2023.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has constituted Corporate Social Responsibility Committee (CSR Committee) in line with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. As on 31st March 2023, the CSR committee comprises of Mr. Atul Chaturvedi as Chairman and Dr. B. V. Mehta, Ms. Priyanka Mallick and Mr. Arun Chandra Varma, as members of the CSR committee. During the year under review, the CSR committee has not held any meeting. The Committee transacted the businesses by passing the circular resolutions.

OTHER COMMITTEES

In addition to the above referred committees, the Board has also constituted the following Committees of Directors to look into various operational business matters of the Company:

- Allotment Committee
- Share Transfer Committee
- Finance Committee

5. Compliance with Corporate Governance Requirements

The Disclosures of the Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of Listing Regulations are as under:

Sr. No.	Particulars	Regulations	Brief Description of Regulations	Compliance Status (Yes/No/NA)
1	Board of Directors	17 (1)	Composition of Board	Yes
		17 (1A)	Appointment or continuation of Non-Executive Director who has attained the age of seventy five years	NA
		17 (1C)	Shareholders' approval for appointment/re-appointment of Director/Manager at the next AGM or within 3 months from the appointment date, whichever is earlier	Yes
		17 (2)	Meeting of Board of Directors	Yes
		17 (2A)	Quorum of Board Meeting	Yes
		17 (3)	Review of Compliance Reports	Yes
		17 (4)	Plans for orderly succession for appointments	Yes
		17 (5)	Code of Conduct	Yes
		17 (6)	Fees/Compensation	Yes
		17 (7)	Minimum Information to be placed before the Board	Yes
		17 (8)	Compliance Certificate	Yes
		17 (9)	Risk Assessment & Management	Yes
		17 (10)	Performance Evaluation of Independent Directors	Yes
17 (11)	Recommendation of Special Business by the Board	Yes		
2	Audit Committee	17 (A)	Maximum number of directorships	Yes
		18 (1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18 (2)	Meeting of Audit Committee	Yes
3	Nomination and Remuneration Committee	18 (3)	Role of the Committee and Review of information by the Committee	Yes
		19 (1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19 (2A)	Quorum of Nomination and Remuneration Committee	Yes
		19 (3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19 (3A)	Committee meeting once a year	Yes
4	Stakeholders Relationship Committee	19 (4)	Role of the Committee	Yes
		20 (1), (2) & (20A)	Composition of Stakeholders Relationship Committee	Yes
		20 (3)	Presence of the Chairman of the Committee at the AGM	Yes
		20 (3A)	Committee meeting once a year	Yes
5	Risk Management Committee	20 (4)	Role of the Committee	Yes
		21 (1), (2) & (3)	Composition of Risk Management Committee	Yes
		21 (3A)	Committee meeting twice a year	Yes
		21 (3B)	Quorum of Risk Management Committee	Yes
		21 (3C)	Maximum gap between any two consecutive meetings	Yes
6	Vigil Mechanism	21 (4)	Role of the Committee	Yes
		22	Formulation of Vigil Mechanism for Directors and Employees	Yes
7	Related Party Transaction	23(1), (5) and (6)	Policy for Related Party Transactions	Yes
		23(2) & (3)	Approval including omnibus approval of Audit Committee for all Related Party Transaction and subsequent material modification and review of transaction by the Committee	Yes
		23(1A) & (4)	Approval for Material Related Party Transactions	Yes
		23(9)	Disclosures of related party transactions	Yes

Sr. No.	Particulars	Regulations	Brief Description of Regulations	Compliance Status (Yes/No/NA)
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	Yes
		24(2), (3), (4), (5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
		24A	Secretarial Audit and Secretarial Compliance Report	Yes
9	Obligations with respect to Independent Directors	25 (1) & (2)	Alternative Directorship / Tenure of Independent Directors	Yes
		25 (2A)	Shareholders' approval for appointment / re-appointment of Independent Director	Yes
		25 (3)	Meeting of Independent Directors	Yes
		25 (4)	Review of Performance by Independent Directors	Yes
		25 (5)	Liability of Independent Directors	Yes
		25 (6)	Filling the vacancy of Independent Director created by resignation or removal	NA
		25 (7)	Familiarization of Independent Directors	Yes
		25 (8) & (9)	Declaration and confirmation by Independent Directors	Yes
		25 (10)	D and O Insurance	Yes
		25 (11)	Appointment of an Independent Director as Executive Director / Whole-time Director unless a period of one year has elapsed from the date of resignation as an Independent Director	NA
10	Obligations with respect to employees including Senior Management, KMP, Directors and Promoters	26 (1) & (2)	Memberships & Chairmanship in Committees	Yes
		26 (3)	Affirmation with compliance of code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26 (5)	Disclosures by Senior Management about potential conflict of Interest	Yes
		26 (6)	Agreement in connection with dealings in the securities	NA
11	Other Corporate Governance Requirements	27 (1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiary	Yes
46(2)(i)	Details of familiarization programs imparted to Independent Directors	Yes		

6. General Body Meetings

A. Annual General Meetings (AGMs):

The details of last three AGMs and the Special Resolutions passed thereat are as under:

AGM	Financial Year	Date	Time	Venue of AGM
26 th AGM	2021-22	16 th September 2022	11:00 a.m.	Through Video Conferencing (VC)
25 th AGM	2020-21	2 nd September 2021	11:00 a.m.	Through Video Conferencing (VC)
24 th AGM	2019-20	7 th September 2020	11:00 a.m.	Through Video Conferencing (VC)

Special Resolutions:

The following are the details of special resolutions passed at the last three AGMs.

Date	Summary of Special Resolutions Passed
16 th September 2022	<ol style="list-style-type: none"> Appointment of Mr. Seetharaman Sridharan (DIN: 01773791) as an Independent Director; Appointment of Mr. Siraj Hussain (DIN: 05346215) as an Independent Director
2 nd September 2021	<ol style="list-style-type: none"> Re-appointment of Mr. Atul Chaturvedi as Executive Chairman of the Company; Re-appointment of Ms. Priyanka Mallick as an Independent Director; Issue of Redeemable Preference Shares (RPS) by conversion of Non-Convertible Debentures (NCDs); Approval for issue of equity shares through Qualified Institutions Placement (QIP)
7 th September 2020	<ol style="list-style-type: none"> Re-appointment of Dr. B V Mehta (DIN: 00895163) as an Independent Director of the Company; Issue of Redeemable Preference Shares (RPS) by conversion of Non-Convertible Debentures (NCDs); Issuance of Equity shares on preferential basis;

Details of Special Resolution passed through Postal Ballot, the person who conducted the postal ballot exercise and details of the voting pattern:

Postal Ballot-1

During the year, the Company sought the approval of the shareholders by way of Special Resolution through Postal Ballot Notice dated 27th May 2022, for the below mentioned matters, the results of which were announced on 30th May 2022.

- Change in name of the Company from 'Shree Renuka Sugars Limited' to 'Shree Renuka Enterprises Limited' and consequential alteration to MOA and AOA of the Company;
- Appointment of Mr. Arun Chandra Verma (DIN: 06981070) as an Independent Director of the Company

CS Snehal Shah of M/s. Snehal Shah & Associates, Practising Company Secretary having Membership No. F6114 and CP No. 4820 was appointed as a Scrutinizer to conduct the Postal Ballot voting process in a fair and transparent manner.

Details of Voting Pattern were as under:

S r . Particulars No.	Votes in favour of the resolution		Votes against the resolution	
	Nos. of shares	%	Nos. of shares	%
1 Change in name of the Company from 'Shree Renuka Sugars Limited' to 'Shree Renuka Enterprises Limited' and consequential alteration to MOA and AOA of the Company	1,37,45,81,037	99.99%	1,60,906	0.01%
2 Appointment of Mr. Arun Chandra Verma (DIN: 06981070) as an Independent Director of the Company	1,37,45,54,071	99.99%	1,78,841	0.01%

Procedure for Postal Ballot:

The Company conducted the Postal Ballot in accordance with the provisions of Section 110 and 108 of the Act, Rule 22 of the Companies (Management & Administration) Rules, 2014 (the Rules) read with Ministry of Corporate Affairs (MCA) Circulars No. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 22/2020 dated 15th June 2020, 33/2020 dated 28th September 2020, 39/2020 dated 31st December 2020, 10/2021 dated 23rd June 2021, 20/2021 dated 8th December 2021 and 3/2022 dated 5th May 2022. The Company had completed the dispatch of the Postal Ballot Notice dated 27th May 2022 through email only on 30th May 2022 to those shareholders whose e-mail IDs were registered with the Company/Depositories.

The Company also published the notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the provisions of the Act and Rules framed thereunder. In compliance with the provisions of Sections 108 & 110 of the Act and Rule 20 & 22 of the Rules read with Regulation 44 of Listing Regulations, the Company had offered the facility of e-voting to its members to enable them to cast their votes electronically. The voting under the postal ballot was kept open from 31st May 2022 (9.00 a.m. IST) to 29th June 2022 (5.00 p.m. IST). Upon completion of scrutiny of the votes cast through e-voting in a fair and transparent manner, the Scrutinizer i.e. CS Snehal Shah submitted his report to the Company and the results of the postal ballot were announced by the Company on 30th May 2022. The voting results were sent to the Stock Exchanges and displayed on the Company's website www.renukasugars.com and on the website at <https://evoting.kfintech.com/> of e-voting agency i.e. KFin Technologies Limited at <https://evoting.kfintech.com/>.

Postal Ballot-2

During the year, the Company again sought the approval of the shareholders by way of Special Resolution through Postal Ballot Notice dated 13th February 2023, for re-appointment of Mr. Vijendra Singh (DIN: 03537522), Executive Director & Dy. CEO for a term of 5 years, the results of which were announced on 27th March 2023.

CS Tehseen Khatri of M/s. T. F. Khatri & Associates, Practising Company Secretary having Membership No. F9093 and CP No. 10417 was appointed as a Scrutinizer to conduct the Postal Ballot voting process in a fair and transparent manner.

Details of Voting Pattern were as under:

S r . Particulars No.	Votes in favour of the resolution		Votes against the resolution	
	Nos. of shares	%	Nos. of shares	%
1 Re-appointment of Mr. Vijendra Singh (DIN: 03537522), Executive Director & Dy. CEO for a term of 5 years	1,33,91,89,910	96.12%	5,41,04,774	3.88%

Procedure for Postal Ballot:

The Company conducted the Postal Ballot in accordance with the provisions of Section 110 and 108 of the Act, Rule 22 of the Companies (Management & Administration) Rules, 2014 (the Rules) read with Ministry of Corporate

Affairs (MCA) Circulars No. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 22/2020 dated 15th June 2020, 33/2020 dated 28th September 2020, 39/2020 dated 31st December 2020, 10/2021 dated 23rd June 2021, 20/2021 dated 8th December 2021, 3/2022 dated 5th May 2022 and 10/2022 dated 28th December 2022. The Company had completed the dispatch of the Postal Ballot Notice dated 27th May 2022 through email only on 22nd February 2023 to those shareholders whose e-mail IDs were registered with the Company/Depositories.

The Company also published the notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the provisions of the Act and Rules framed thereunder. In compliance with the provisions of Sections 108 & 110 of the Act and Rule 20 & 22 of the Rules read with Regulation 44 of Listing Regulations, the Company had offered the facility of e-voting to its members to enable them to cast their votes electronically. The voting under the postal ballot was kept open from 24th February 2023 (9.00 a.m. IST) to 25th March 2023 (5.00 p.m. IST). Upon completion of scrutiny of the votes cast through e-voting in a fair and transparent manner, the Scrutinizer i.e. CS Tehseen Khatri submitted her report to the Company and the results of the postal ballot were announced by the Company on 27th March 2023. The voting results were sent to the Stock Exchanges and displayed on the Company's website www.renukasugars.com and on the website at <https://evoting.kfintech.com/> of e-voting agency i.e. KFin Technologies Limited at <https://evoting.kfintech.com/>.

There is no special resolution proposed to be transacted through postal ballot.

B. Other Disclosures

- a. Related party transactions: During the year under review, there were no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. The Company has formulated policy for determining Material Subsidiaries and Policy on dealing with Related Party Transactions. The said policies are hosted on the Company's website at <https://renukasugars.com/pdf/corporate-governance/policy-on-determining-material-subsidiaries.pdf> and <https://renukasugars.com/pdf/corporate-governance/tpt-policy-srsl.pdf>
- b. Instances of non-compliance: There were no instances of non-compliance by the Company and no penalties / strictures were imposed on the Company by stock exchanges / SEBI / any statutory authority on any matter related to capital markets, during the last 3 years except two instances of delay in submission of the notice of record date of payment of interest/principal amount due in March 2022 and March 2023 as per Regulation 60 of Listing Regulations, to BSE Limited. The Company has paid the penalty to the stock exchanges for the said delay.
- c. Whistle blower policy / vigil mechanism: Whistleblower Mechanism has been established for the employees to report to the management about unethical behaviour, mismanagement, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy, that could adversely impact the Company's operations and business performance. The Whistleblower Policy is overseen by the Audit Committee of the Board. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy. The Company has not received any complaint under the Whistle Blower Policy during the year.
- d. Compliance with mandatory and non-mandatory requirements: All mandatory requirements relating to corporate governance under Listing Regulations have been appropriately complied with and the status of non-mandatory (discretionary) requirements is given below:
 - (i) The Board: Since the Company has an Executive Chairman, the requirement regarding non-executive Chairman is not applicable;
 - (ii) Shareholder Rights: The quarterly, half-yearly and annual financial results are published in newspapers and also uploaded on the Company's website;
 - (iii) Modified Opinion(s) in Audit Report: The Auditor's opinion on the Financial Statements for FY 2022-23 is unmodified;
 - (iv) Separate posts of Chairperson and CEO: Since the Company does not have CEO, the requirement regarding separate posts of the Chairperson and CEO is not applicable; and
 - (v) Reporting of Internal Auditor: The internal auditor of the Company makes quarterly presentations to the Audit Committee on its reports.

e. Disclosure on Commodity Price Risk/Foreign Exchange Risk and Hedging Activities

Disclosure pertaining to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated 15th November 2018 are as under:

Disclosure on Commodity Price Risk

1. Risk Management Policy of the Company with respect to commodities including through hedging:

The Company has formulated Risk Management Policy to articulate the risk

- b. Exposure of the Company to various material commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Raw Sugar	₹ 49,673 mn	1,310,910 MT	Nil	Nil	Nil	Nil	Nil
White Sugar	₹ 59,566 mn	1,361,685 MT	Nil	Nil	Nil	Nil	Nil

3. Commodity risks faced by the Company during the year and how they have been managed:

Sugar price risk is one of the important market risk for the Company. The Company is exposed to usual price risk associated with fluctuation in sugar prices.

In domestic market, physical sugar is mostly traded on spot basis on prevailing physical sugar prices. In international market, the Company has a robust internal control framework and governance mechanism as laid down in the Commodity Risk Management policy in place to ensure that the organisation is adequately protected from the market volatility.

Disclosure on Foreign Exchange Price Risk and Hedging Activities

FX Risk Management Policy: FX Risk Management Policy is formulated to articulate the risk management framework, philosophy, objectives and processes of the company. The policy is designed to achieve the specific objectives

management philosophy, objectives, and processes for its various businesses. The Company's policy on Commodity Risk Management for import/export of raw & white sugar can be accessed on the Company's website at <https://renukasugars.com/en/corporate-governance.html>

2. Exposure of the Company to commodity and commodity risks faced by the Company throughout the year:

- a. Total exposure of the Company to commodities in INR: 109,249 mn

of managing FX risk in such a way as to ensure that the company's business margins are protected.

Philosophy: The Company's risk management philosophy is articulated below:

- The Treasury is a support function for business and not a profit center.
- All the transactions undertaken by the Treasury should be towards achieving the risk management objectives and should not give rise to any additional financial risk to the company.

Risk Identification: Exposures is identified at the latest on the date of trade order confirmation.

Risk Measurement: The risk on identified exposures is measured and monitored continuously. The risk can be measured by monitoring the MTM of open and hedged positions daily.

Risk Control: The treasury takes appropriate and timely measures to

ensure that the hedging is in line with the hedge strategy approved by the company. To enable this, the Treasury has all the updated information about exposures (addition/cancellation), budgeted cost, tenor of exposure, etc.

Below is the position of currency hedged and unhedged.

(a) Forward contracts outstanding as on 31st March 2023:

S r . No.	Particulars	USD Mn	INR Mn
1	Forwards (Long - Hedged against ECB)	300.00	24,667.50
2	Forwards (Short)	5.00	411.13
TOTAL		305.00	25,078.63

(b) Unhedged foreign currency exposures and natural hedge as on 31st March 2023 was as under:

Particulars	USD Mn	INR Mn
Payables	172.70	14,200.58
PCFC Loan	12.50	1,027.81
Interest on ECB & PCFC	9.59	788.30
Other provisions	8.38	689.42
Total	203.17	16,706.11
Natural hedge (Debtors)	(13.24)	(1,088.29)

Note: The above unhedged forex exposure is balance sheet exposure, economic forex exposure is naturally hedged as per FX Risk Management policy.

f. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of Listing Regulations:

During the year, there were no transaction requiring disclosure or reporting in respect of raising of funds through preferential allotment or qualified institutions placement;

g. The Company has obtained a Certificate pursuant to Regulation 34(3) read with Schedule V of Listing Regulations from M/s. DVD & Associates., Practicing Company Secretary certifying 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 Securities and Exchange Board of India

or Ministry of Corporate Affairs or any such statutory authority. The said certificate has been annexed with this Report.

h. Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

i. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: Details relating to fees paid to the statutory auditors are given in Note no. 35 to the Standalone Financial Statements.

j. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. Number of complaints filed during the financial year 2022-23: Nil

b. Number of complaints disposed of during the financial year 2022-23: NA

c. Number of complaints pending as on end of the financial year 2022-23: NA

k. During the year, the Company has not provided any loans and advances in the nature of loans to firms/companies in which directors are interested except the loans given to its subsidiary companies for its business requirements where directors of the Company also hold directorship. Details of loans given to subsidiary companies are given in Note no. 41(c) to the Standalone Financial Statements.

l. Details of material subsidiaries of the Company are as follow: Nil

m. The Corporate Governance Report of the Company for the year 2022-23 or as on 31st March 2023 are in compliance with the requirements as mentioned in points a to l above.

n. The Executive Chairman and Chief Financial Officer of the Company have certified to the Board of Directors, inter alia, on the accuracy of the financial statements and adequacy of internal controls for the financial reporting, as required under Regulation 17(8) of the Listing Regulations for the financial year ended 31st

March 2023.

- o. The Company does not have any share in the demat suspense account or unclaimed suspense account.
- p. During the year, no securities of the Company have been suspended from trading.

7. CODE OF CONDUCT

Pursuant to Regulation 17(5) of Listing Regulations, the Board of Directors has laid down a Code of Conduct for all the Board and Senior Management Members and they have affirmed compliance with the said Code of Conduct of the Company for the financial year 2022-23.

The declaration pursuant to Regulation 26 (3) of Listing Regulations, stating that all the Board Members and Senior Management Members have affirmed their compliance with the said code of conduct for the year ended 31st March 2023 is annexed to this Report.

The Code of conduct is also placed on the Company's website at <https://renukasugars.com/pdf/code-of-business-conduct-and-ethics.pdf>

8. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING PRACTICES

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has

11. GENERAL SHAREHOLDER'S INFORMATION

a. Annual General Meeting (AGM)	25 th September 2023 Time: 11:00 A.M. Venue: Video Conferencing
b. Financial Year	The Financial Year of the Company is from 1 st April 2022 to 31 st March 2023.
c. Tentative Financial Calendar 2023-24	
1 st Quarterly results	Declared on 11 th August 2023
2 nd Quarterly results	On or before 14 th November 2023
3 rd Quarterly results	On or before 14 th February 2024
4 th Quarterly results	On or before 30 th May 2024
d. Date of Book Closure	Not applicable
e. Dividend Payment Date	No Dividend has been recommended by the Board for the year ended 31 st March 2023
f. Corporate Identification Number (CIN) of the Company	L01542KA1995PLC019046

formulated, adopted and implemented "Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Insiders" and "Code of Practices and Procedures for Fair Disclosure of Unpublished Priced Sensitive Information" in the securities of the Company.

These codes are also placed on the Company's website at <https://renukasugars.com/pdf/corporate-governance/srsl-pit-code-of-conduct-002.pdf>

and

<https://renukasugars.com/pdf/corporate-governance/code-of-fair-diclosure-web-site.pdf>

9. COMPLIANCE OFFICER

Mr. Deepak Manerikar is the Company Secretary & Compliance Officer of the Company.

10. MEANS OF COMMUNICATION

The Company publishes quarterly financial results, notices and other advertisements in Financial Express (English Daily) and Kannada Prabha (Kannada Daily) regularly. The Company also releases press notes to enable the stakeholders about the important developments and updates about the Company. Additionally, the results and other important information are displayed on the Company's website at www.renukasugars.com

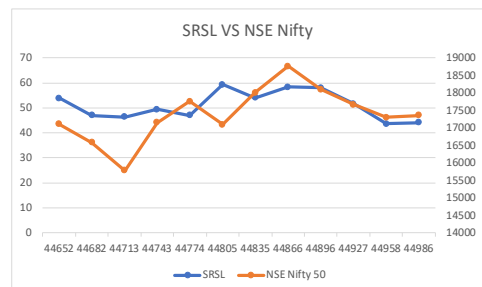
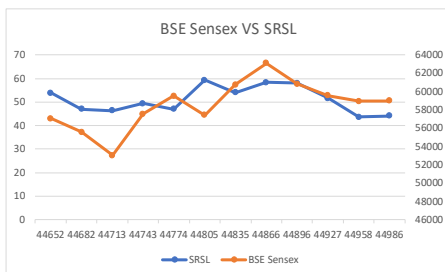
g. ISINs	Equity shares: INE087H01022 11.70% NCD : INE087H07094 (₹ 75 cr.) 11.00% NCD : INE087H07102 (₹ 75 cr.) 11.30% NCD : INE087H07128 (₹ 50 cr.) 11.00% NCD : INE087H07110 (₹ 50 cr.)
h. Unclaimed Shares	Nil
i. Listing on Stock Exchanges	The Company's equity shares are listed on the Stock Exchanges as mentioned hereunder: National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
j. Stock Code:	The Company has paid the listing fees for the financial year 2023-24. NSE - RENUKA BSE - 532670

k. Market Price Data

The monthly high and low price of equity shares traded on the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) are as under:

Share price in ₹

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
Apr-22	63.25	35.60	53.85	63.20	35.50	53.80
May-22	57.30	38.95	46.95	57.20	38.90	46.90
Jun-22	55.50	39.25	46.40	55.50	39.20	46.40
Jul-22	52.70	45.00	49.40	52.70	45.00	49.45
Aug-22	51.30	44.15	47.00	51.35	44.15	47.00
Sep-22	62.25	46.45	59.30	62.25	46.55	59.30
Oct-22	68.70	53.35	54.05	68.75	53.35	54.05
Nov-22	60.60	53.80	58.40	60.60	53.80	58.45
Dec-22	65.60	49.65	58.10	65.60	49.65	58.15
Jan-23	59.10	47.70	51.65	59.10	47.70	51.80
Feb-23	53.50	42.50	43.60	53.50	42.45	43.60
Mar-23	51.50	39.50	44.11	51.50	39.40	44.10

l. Performance Comparison: SRSL v/s BSE SENSEX and SRSL v/s NSE NIFTY


m. Registrar & Transfer Agent

KFin Technologies Limited;
Unit: Shree Renuka Sugars Limited
Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India
Tel No.: +91 40 6716 1524
E-mail id: rajeev.kr@kfintech.com
Website: www.kfintech.com

that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

Simplified Norms for processing Investor Service Request

n. Share Transfer System

In terms of the Listing Regulations, equity shares of the Company can only be transferred in dematerialised form. Further, with effect from 24th January 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/ splitting/consolidation of securities, transmission/ transposition of securities. Vide its Circular dated 25th January 2022, SEBI has clarified

SEBI, vide its Circular dated 3rd November, 2021 read with Circular dated 16th March 2023, has made it mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details to avail any investor service. Folios wherein any one of the above-mentioned details are not registered by 1st October 2023 shall be frozen. The concerned members are therefore urged to furnish PAN, KYC and Nomination/ Opt out of Nomination by submitting the prescribed forms duly filled by email from their registered email id to einward.ris@kfintech.com or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. KFin Technologies Limited at Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India

o. Distribution of equity shareholding as on 31st March 2023

Particulars	No. of shareholders	% of total shareholders	No. of equity shares	% of total equity shares
1-5,000	4,97,940	97.42	19,02,44,204	7.77
5,001- 10,000	7,188	1.41	5,57,66,110	2.59
10,001- 20,000	3,174	0.62	4,62,77,408	2.21
20,001- 30,000	1,094	0.21	2,75,82,743	1.37
30,001- 40,000	457	0.09	1,61,51,086	0.77
40,001- 50,000	352	0.07	1,63,93,660	0.93
50,001- 1,00,000	539	0.11	3,92,29,538	2.15
1,00,001 & Above	409	0.08	1,73,68,45,024	82.20
Total	5,11,153	100.00	2,12,84,89,773	100.00

p. Shareholding pattern as on 31st March 2023

Category of shareholder	No. of equity shares	% of total equity shares
Promoter & Promoter Group (A)	1,32,98,75,232	62.48
Public shareholding		
Banks	19,37,85,800	9.10
Mutual Fund	12,62,794	0.06
Alternate Investment Funds	9,35,000	0.04
Insurance Companies	1,90,80,122	0.90
NBFCs registered with RBI	33,993	0.00
Foreign Portfolio Investors Category I	6,13,41,135	2.88
Foreign Portfolio Investors Category II	16,41,048	0.08
Foreign Body Corporate/Foreign Bank	2,93,86,497	1.38
Central / State Government(s)	3,048	0.00

Category of shareholder	No. of equity shares	% of total equity shares
Directors and their relatives (Excluding independent directors and nominee directors)	6,75,000	0.03
Key Managerial Personnel	5,010	0.00
Investor Education and Protection Fund (IEPF)	37,53,909	0.18
Resident Individuals	42,79,65,064	20.11
Non-Resident Indians (NRIs)	1,39,75,128	0.66
Foreign Nationals	55,450	0.00
Bodies Corporates	2,34,96,207	1.10
HUF	2,03,82,114	0.96
Clearing Members	7,96,602	0.04
Trusts	40,620	0.00
Total Public Shareholding (B)	79,86,14,541	37.52
Total Shareholding (A+B)	2,12,84,89,773	100.00

q. Dematerialization of shares and liquidity

As on 31st March 2023, 212,52,94,353 equity shares of the Company (99.85% of the total issued equity capital) were held in dematerialized form and 31,95,420 equity shares (0.15% of the total issued equity capital) were held in physical form. The shares of the Company are frequently traded on both the Stock Exchanges.

r. Outstanding GDRs/ADRs/Warrants or any convertible instrument –

-

s. Address for Correspondence

- a. Shareholders correspondence for transfer / Dematerialization of shares, payment of dividend and any other query should be directed to:

KFin Technologies Limited

Unit: Shree Renuka Sugars Limited
Selenium Tower B, Plot Nos. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500032, India
Tel No.: +91 40 6716 1524
E-mail id: rajeev.kr@kfintech.com
Website: www.kfintech.com

- b. All other queries on Annual Report should be directed to:

Shree Renuka Sugars Limited

2nd & 3rd Floor, Kanakashree Arcade,
CTS No. 10634, JNMC Road, Nehru Nagar,
Belagavi – 590010
Tel No.: 0831 2404000
E-mail: grouppcs@renukasugars.com

t. Plant locations

Information on Plant locations has been provided in the section of Corporate Information.

u. Details of credit rating obtained by the Company

During the year, India Ratings and Research (Ind-Ra) has affirmed the rating of various credit facilities availed by the Company. The instrument-wise rating actions are as follows:

Instrument Type	Size of Issue (₹ In million)	Rating/Outlook	Rating Action
Term Loan	8,300	IND A-/Positive	Affirmed
Short Term Loan	4,000	IND A1	Affirmed
Working capital limit	7,400	IND A-/Positive/IND A1	Affirmed
Non-convertible debentures (NCDs)	2,088	IND A-/Positive	Affirmed
Working capital limit	400	IND A-/Positive/IND A1	Affirmed

Further, ICRA Limited has affirmed the rating of credit facilities availed by the Company. The instrument-wise rating actions are as follows:

Instrument Type	Size of Issue (₹ In million)	Rating	Rating Action
Line of credit (Long Term / Short term)	4000	[ICRA]A- (Stable) / [ICRA] A2 +	Affirmed

Listed Debt Securities

1,500, 11.70% Non-Convertible Debentures (NCDs) and 1,000 11.30% Non-Convertible Debentures (NCDs) of the Company aggregating to ₹ 2,500 million are listed on the Wholesale Debt Market (WDM) Segment of BSE Limited. Pursuant to in-principal approval granted by BSE Limited for restructuring of terms of NCDs, the Company has modified the terms of NCD. The revised structure of NCDs is as given below:

ISIN	ROI	Nos. of NCDs	Face value	In Rs. Million	Maturity
INE087H07094	11.70%	750	10,00,000	7,500	31-Mar-28
INE087H07102	11.00%	750	10,00,000	7,500	31-Mar-32
INE087H07128	11.30%	500	10,00,000	5,000	31-Mar-28
INE087H07110	11.00%	500	10,00,000	5,000	31-Mar-32

Debenture Trustee for NCDs:

IDBI Trusteeship Services Limited
1009, 10th Floor, Ansal Bhawan, KG Marg, New Delhi-110001.
Tel. No.: (+91), 011-4034 9599
Email: deepakkumar@idbitrustee.com
Website: www.idbitrustee.com

Declaration in respect of code of conduct

In accordance with the Listing Regulations, I hereby confirm and declare that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors & Senior Managerial Personnel of the Company laid down for them for the financial year ended 31st March 2023.

Place: Mumbai
Date: 11th August 2023

Atul Chaturvedi
Executive Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members

Shree Renuka Sugars Limited

2nd and 3rd Floor, Kanakashree Arcade,
CTS No. 10634, JNMC Road, Neharu Nagar,
Belagavi Belgaum 590010

We have examined the compliance of conditions of Corporate Governance by **Shree Renuka Sugars Limited (the Company)** for the year ended on 31st March, 2023, as stipulated under Regulation 15(2) read with Schedule V Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

**FOR DVD& ASSOCIATES
COMPANY SECRETARIES**

Devendra V Deshpande

Proprietor

FCS No. 6099 CP No. 6515

PR NO: 1164/ 2021

UDIN: F006099E000740767

Place: Pune

Date: 04.08.2023

Certificate

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

The Members,

Shree Renuka Sugars Limited

2nd and 3rd Floor, Kanakashree Arcade,
CTS No. 10634, JNMC Road, Neharu Nagar,
Belagavi Belgaum 590010

We have examined the relevant books, papers, minutes books, forms and returns filed, Notices received from the Directors during the last financial Year ended on 31st March 2023, and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives of (Shree Renuka Sugars Limited, CIN: L01542KA1995PLC019046) having its Registered office at 2nd and 3rd Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Neharu Nagar, Belagavi Belgaum KA 590010 for the purpose of issue of a Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 (LODR), as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated May 9, 2018 issued by SEBI.

In our opinion and to the best of our knowledge and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that None of the Directors as stated below who are on the Board of the Company as on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by SEBI/Ministry of Corporate Affairs or any such other statutory authority.

S. No.	DIN	Name of the Director	Designation	Date of Appointment
1	00175355	Atul Chaturvedi	Executive Chairman	24/06/2015
2	03537522	Vijendra Singh	Executive Director and Dy. CEO	10/05/2011
3	00133106	Ravi Gupta	Executive Director	28/10/2021
4	00021957	Kuok Khoon Hong	Director	25/10/2019
5	06857132	Jean-Luc Bohbot	Director	24/06/2015
6	08737827	Loo Cheau Leong	Director	01/06/2020
7	02683483	Madhu Rao	Director	27/06/2018
8	06981070	Arun Chandra Verma	Director	01/04/2022
9	05346215	Siraj Hussain	Director	09/08/2022
10	00895163	Bharat Vallabhdas Mehta	Director	13/11/2017
11	01773791	Seetharaman Sridharan	Director	09/08/2022
12	06682955	Priyanka Mallick	Director	08/02/2019
13	00020968	Tinniyan Kalyansundaram Kanan	Alternate Director	19/05/2022

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

**FOR DVD & ASSOCIATES
COMPANY SECRETARIES**

DEVENDRA V. DESHPANDE

Proprietor
FCS 6099 CP 6515
PR No. 1164/2021
UDIN: F006099E000740789

Place: Pune
Date: 04.08.2023

INDEPENDENT AUDITOR'S REPORT

To the Members of **Shree Renuka Sugars Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Shree Renuka Sugars Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance

with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters**How our audit addressed the key audit matter****Valuation of Inventory (as described in note 10 and note 2.1(II)(k) of the standalone financial statements)**

As on March 31, 2023, the Company is carrying inventory amounting to INR 22,369.45 million. The inventory of intermediary goods and finished goods (including stock in transit) is valued at lower of cost or net realisable value and the inventory of raw materials and stores and spares (including stock in transit) is valued at weighted average cost.

The relative size of the inventory as on March 31, 2023 is significant to the financial statements and significant judgements are involved in determining:

- (i) cost of inventory which is based on factors such as cost of by-products which is based on its net realisable value,
- (ii) the net realizable value of closing inventory of intermediary and finished goods.

Accordingly, determination of value of inventory was determined to be a key audit matter in our audit of the standalone financial statements.

Our audit procedures included the following:

- Read and assessed the Company's accounting policies with respect to inventory valuation for compliance with relevant accounting standards.
- We evaluated the design and tested the operating effectiveness of controls established by the management in determination of value of inventory of finished goods and intermediary goods.
- We have tested the operating effectiveness of the automated control established by management for valuation of inventory of raw materials and stores and spares on weighted average cost basis.
- We tested the method used by the Company for arriving at the cost of inventory of sugar. Evaluated the appropriateness of data used by the management in determining the net realisable value of by-products, intermediary and finished goods.
- We tested the mathematical accuracy of the calculations used for determining the cost of inventory.
- We assessed the disclosures in the financial statement for compliance with the requirements of Ind AS.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall comply with the relevant applicable requirements of the Standard on Auditing for the Auditors Responsibility in relation to Other Information in documents containing

the audited financial statements.

Responsibilities of Management for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements,

management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report

to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38(c) to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. An amount of Rs. 0.02 million has not been transferred to the Investor Education and Protection Fund on account of disputes. There were no other amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company.
 - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Shyamsundar Pachisia
Partner

Membership Number: 049237

UDIN: 23049237BGXHNNX4955

Place of Signature: Mumbai

Date: May 26, 2023

**'Annexure 1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date
Re: Shree Renuka Sugars Limited ("the Company")**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment were physically verified by the management in the previous

year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company, except for the following cases:

(INR in million)

Description of Property	Gross carrying value	Net carrying amount	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of Company
Building	1.61	1.14	Note (i)	Not applicable	From June 30, 2012	Note (i)
Freehold Land	22.62	22.62	Godavari Dudhna Sahakari Sakhar Kharkhana Limited	No	From September 2008	Litigation in Supreme Court for dispute between the original owners of the land.

Note (i): Original title deeds were not available with the Company, however, as represented, title deeds are in the name of the Company and have been submitted to the debenture trustee. The same has not been independently confirmed by the debenture trustee.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed.

- (b) The Company has not been sanctioned working capital limits in excess of Rs. Five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

- (iii) (a) During the year the Company has provided loans, advances in nature of loans, stood guarantee and provided security to companies or any other parties as follows:

(INR in million)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted / provided during the year				
- Subsidiaries	450.00	-	1,115.00	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	2,000.00	-	5.39	-
Balance outstanding as at balance sheet date in respect of above cases	580.00	-	1,653.05	-
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	1,290.82	-	1.82	-
- Others				

During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to firms, Limited Liability Partnerships.

- (b) The terms and conditions of loans granted by the Company to one of its subsidiaries, (loan granted during the year aggregated to Rs. 8 million and cumulative loan balance outstanding as at balance sheet date is Rs. 145.27 million) is prejudicial to the Company's interest on account of the fact that there is a moratorium period of 12 months for principal repayment of the loan given during the year. Further, the interest receivable (net of TDS) on entire loan has been provided for in the books of account of the Company as at March 31, 2023.
- (c) In respect of loans granted to companies, the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular except in the following cases:

(INR in million)

Name of the Entity	Amount	Due date	Date of Payment	Extent of delay	Remarks, if any
Monica Trading Private Limited (Subsidiary Company)	43.04	Various	Not paid	From February 2020 to March 2023	The amount pertains to principal amount of loan due of INR 0.01 million and interest accrued and due on loans of INR 43.03 million which is fully provided for, in the books of the Company.

Note: For reporting under this clause, we have not considered loans granted by the Company in earlier years (detailed in note 41(c)) and for which principal and interest amounts have been completely provided for in the books of accounts of the Company in earlier years and the balance (net of provision) in the books is Nil as at April 1, 2022.

- (d) Other than those mentioned in clause 3(iii)(c) above, there are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to company which have fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) In our opinion and according to the information and explanations given to us, during the year the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and guarantees, and securities given have been complied with by the company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the

rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of sugar, industrial alcohol and electricity, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been significant delays in a few cases in relation to payment of tax deducted at source.

According to the information and explanations given to us and audit procedures performed by us, undisputed dues in respect of provident fund, which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs. in million)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	2.36	April 2022 to September 2022	Various	Not paid yet	The Company is unable to make payment for certain employees as their KYC is not linked to their Provident Fund account

The provisions relating to sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount in INR Million*	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1960	Customs Duty	249.03	2003-2004	Supreme Court
		773.23	2006-2007 to 2016-2017	CESTAT
		642.01	2013-14	Gujarat High Court
		0.07	2021-22	Deputy Commissioner

Name of the statute	Nature of the dues	Amount in INR Million*	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty	3.65	2003-04	Supreme Court
		722.34	2004-2005 to 2013-2014	CESTAT
		98.53	2011-2012 to 2015-2016	Commissioner (Appeals)
Finance Act, 1994	Service Tax	19.33	2004-05 to 2010-11	Commissioner Appeals
		32.78	2009-10	CESTAT
Goods and Service Tax, 2007	GST	33.10	2017-2018 to 2018- 2019	Joint Commissioner
Maharashtra Value Added Tax, 2002	Value Added Tax	11.28	2009-2010 and 2010-2011	Sales Tax Tribunal, Mumbai
West Bengal Value Added Tax Act, 2003	Value Added Tax	4.26	April 2017 to June 2017	Additional Commissioner
Gujarat Value Added Tax Act, 2003	Value Added Tax	0.19	2016-17	Joint Commissioner
Income Tax Act, 1961	Income Tax	2,270.83	AY 2018-19	Karnataka High Court

* Amount paid under protest of INR 346.82 million has been reduced in arriving at undeposited statutory dues disclosed above.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. In case of listed non-convertible debentures ('NCD') of the Company, prior to the execution of amendment agreement to the Debenture Trust Deed, the Company has made payments to the debenture holder on the basis of restructured terms as per the letter of intent received from the debenture holder.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short term basis aggregating to Rs. 3,214.80 million for long-term purposes representing acquisition of property plant and equipment.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates. The Company does not have any joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company. The Company does not have any joint venture.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company and, not commented upon.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor, secretarial auditor or

- by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 48 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by INR 9,494.49 million, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act ("the Act"), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 35(b) to the financial statements.
- (xxi) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 35(b) to the financial statements.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Shyamsundar Pachisia

Partner

Membership Number: 049237

UDIN: 23049237BGXHNX4955

Place of Signature: Mumbai

Date: May 26, 2023

'Annexure 2' to the Independent Auditor's Report of even date on the standalone financial statements of Shree Renuka Sugars Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Shree Renuka Sugars Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Shyamsundar Pachisia
Partner

Membership Number: 049237

UDIN: 23049237BGXHNX4955

Place of Signature: Mumbai

Date: May 26, 2023

Standalone Balance Sheet

as at 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Notes	As at 31 st March 2023	As at 31 st March 2022
Assets			
Non-current assets			
Property, plant and equipment (including right to use assets)	3	41,612.79	38,216.62
Capital work-in-progress	3	1,146.21	2,392.97
Intangible assets	4	2.53	8.05
Financial assets			
Investments	5	1,193.83	1,202.17
Loans	6	1,515.89	1,645.05
Other non-current financial assets	7	336.46	103.05
Non-current tax assets		114.60	80.49
Other non-current assets	8	448.16	994.81
Total non-current assets		46,370.47	44,643.21
Current assets			
Inventories	10	22,369.45	19,987.03
Financial assets			
Trade receivables	11	2,053.87	3,023.69
Cash and cash equivalents	12	701.52	113.86
Other bank balances	13	123.17	175.14
Loans	14	137.16	137.16
Other current financial assets	15	277.25	417.48
Other current assets	16	2,911.09	2,271.58
Total current assets		28,573.51	26,125.94
Total assets		74,943.98	70,769.15
Equity and liabilities			
Equity			
Equity share capital	17a	2,128.49	2,128.49
Other equity	17b	1,998.00	3,341.35
Total Equity		4,126.49	5,469.84
Non-current liabilities			
Financial liabilities			
Borrowings	18	30,578.91	27,556.14
Lease liabilities	19	185.16	178.30
Net employee benefit liabilities	20	336.26	241.16
Government grants	21	303.52	309.78
Deferred tax liabilities (net)	9	1,345.64	1,232.14
Total non-current liabilities		32,749.49	29,517.52
Current liabilities			
Financial liabilities			
Borrowings	22	12,483.71	13,755.36
Lease liabilities	19	9.58	11.74
Trade payables	23		
Total outstanding dues of micro and small enterprises		111.48	23.50
Total outstanding dues of creditors other than micro and small enterprises		22,464.42	19,684.41
Other current financial liabilities	24	1,761.13	1,484.88
Net employee benefit liabilities	26	86.46	89.00
Government grants	21	141.56	106.75
Other current liabilities	25	1,009.66	626.15
Total current liabilities		38,068.00	35,781.79
Total liabilities		70,817.49	65,299.31
Total equity and liabilities		74,943.98	70,769.15

Significant accounting policies 2.1

Accompanying notes 1 to 51 form an integral part of these financial statements

As per our report of even date

For S R B C & COLLP

Chartered Accountants

ICAI Firm Regn. No. : 324982E/E300003

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

per Shyamsundar Pachisia

Partner

Membership No. : 049237

Date : 26th May 2023

Place : Mumbai

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

Place : Mumbai

Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai

Standalone Statement of profit and loss

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Notes	Year ended 31 st March 2023	Year ended 31 st March 2022
Income			
Revenue from operations	27	85,781.39	60,811.57
Income from incentive to sugar mills		-	447.78
Other income	28	1,080.34	832.04
Total income		86,861.73	62,091.39
Expenses			
Cost of raw materials consumed	29	70,025.52	46,559.45
Purchase of traded goods	30	226.31	815.31
(Increase)/decrease in inventories of finished goods, work-in-progress and intermediate products and traded goods	31	(1,520.48)	2,008.01
Employee benefit expenses	32	1,472.11	1,268.44
Depreciation and amortisation expense	33	2,291.11	2,009.81
Foreign exchange loss (net)		719.95	314.44
Finance costs	34	5,413.09	3,755.62
Other expenses	35	9,461.25	6,659.72
Total expenses		88,088.86	63,390.80
Loss before exceptional items and tax		(1,227.13)	(1,299.41)
Exceptional items - income	36	-	(2,513.93)
Profit/(loss) before tax		(1,227.13)	1,214.52
Tax expense			
Current tax	9	-	-
Deferred tax	9	130.17	83.87
Income tax expense		130.17	83.87
Profit/(loss) for the year		(1,357.30)	1,130.65
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:			
Reversal of revaluation reserve on disposal / impairment of property, plant and equipment		0.33	(35.82)
Income tax effect	9	(0.10)	11.18
Revaluation of land, building and plant and machinery	3	-	3,673.76
Income tax effect	9	-	(1,160.99)
Loss on remeasurements of defined benefit plans	39	(53.76)	(4.95)
Income tax effect	9	16.77	1.54
Unrealised loss on FVTOCI equity securities	43	(8.34)	(170.82)
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net movement on effective portion of cash flow hedges	42	1,957.57	735.39
Net movement in cost of hedging reserve	42	(883.33)	(1,055.01)
Total comprehensive income/(loss) for the year (net of tax)		(328.16)	3,124.93
Earnings per share			
Basic	37	(0.64)	0.53
[Face value of equity share INR 1/- each]			
Diluted	37	(0.64)	0.53
[Face value of equity share INR 1/- each]			

Significant accounting policies 2.1

Accompanying notes 1 to 51 form an integral part of these financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Regn. No. : 324982E/E300003

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

per Shyamsundar Pachisia

Partner

Membership No. : 049237

Date : 26th May 2023

Place : Mumbai

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

Place : Mumbai

Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai

Standalone Statement of changes

in equity for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

a. Equity share capital

	No of Shares (in millions)	Amount
As at 01st April 2021	2,128.49	2,128.49
Equity shares issued during the year	-	-
As at 31st March 2022	2,128.49	2,128.49
Equity shares issued during the year	-	-
As at 31st March 2023	2,128.49	2,128.49

b. Other equity

	Reserves and surplus				Items of OCI				Total other equity
	Securities premium	Debt redemption reserve	Equity Contribution from Parent	Retained earnings	Cash flow hedge reserve	Cost of hedging reserve	Revaluation reserve on PPE	Changes in equity instrument and others	
As at 01st April 2021	32,034.84	625.00	463.32	(42,142.51)	-	100.83	8,646.05	300.08	27.61
Profit for the year	-	-	-	1,130.65	-	-	-	-	1,130.65
Other comprehensive income	-	-	-	(3.41)	735.39	(1,055.01)	2,488.13	(170.82)	1,994.28
Total Comprehensive Income	-	-	-	1,127.24	735.39	(1,055.01)	2,488.13	(170.82)	3,124.93
Transferred to P&L	-	-	-	-	(735.39)	924.20	-	-	188.81
Depreciation of revalued assets	-	-	-	471.43	-	-	(471.43)	-	-
As at 31st March 2022	32,034.84	625.00	463.32	(40,543.84)	-	(29.98)	10,662.75	129.26	3,341.35
Profit for the year	-	-	-	(1,357.30)	-	-	-	-	(1,357.30)
Other comprehensive income	-	-	-	(36.99)	1,957.57	(883.33)	0.23	(8.34)	1,029.14
Total Comprehensive Income	-	-	-	(1,394.29)	1,957.57	(883.33)	0.23	(8.34)	(328.16)
Transferred to P&L	-	-	-	-	(1,957.57)	831.24	-	-	(1,126.33)
Interest waiver from parent	-	-	111.14	-	-	-	-	-	111.14
Depreciation of revalued assets	-	-	-	738.45	-	-	(738.45)	-	-
As at 31st March 2023	32,034.84	625.00	574.46	(41,199.68)	-	(82.07)	9,924.53	120.92	1,998.00

Significant accounting policies

2.1

Accompanying notes 1 to 51 form an integral part of these financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Regn. No. : 324982E/E300003

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

per Shyamsundar Pachisia

Partner

Membership No. : 049237

Date : 26th May 2023

Place : Mumbai

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

Place : Mumbai

Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai

Standalone Statement of cash flows

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Year ended 31 st March 2023	Year ended 31 st March 2022
Operating activities		
Profit/(loss) before tax and after exceptional items	(1,227.13)	1,214.52
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation of property, plant and equipment	2,285.56	2,003.73
Amortisation of intangible assets	5.55	6.08
Unrealised loss/(gain) on derivatives	60.24	(30.41)
Government assistance	(115.06)	(81.47)
Finance costs	5,413.09	3,755.62
Finance income	(274.67)	(173.24)
Loss on sale of property, plant and equipment	19.51	3.25
Exceptional items	-	(2,513.93)
Dividend income	(1.39)	(1.27)
Excess provision of earlier year written back	(324.81)	(156.25)
Net foreign exchange differences	58.58	160.09
Impairment of other assets	164.30	186.52
Property, plant and equipment written off	5.66	35.41
Impairment of investment in subsidiaries	-	2.90
Expected credit loss on trade receivables	3.47	43.63
Working capital adjustments:		
Increase in employee benefit expenses	47.26	24.74
Decrease in trade receivables	777.13	2,320.38
(Increase)/decrease in other receivables and prepayments	(759.06)	467.19
(Increase)/decrease in inventories	(2,418.71)	3,500.14
Increase/(decrease) in trade and other payables	4,881.13	(8,671.65)
	8,600.65	2,095.98
Income tax paid	(34.11)	(32.85)
Net cash flows from operating activities	8,566.54	2,063.13
Investing activities:		
Purchase of property, plant and equipment	(3,848.55)	(3,089.51)
Loans given to subsidiaries	(1,115.01)	(163.94)
Repayment of loans by subsidiaries	1,248.66	300.10
Proceeds from sale of property, plant and equipment	2.06	4.24
Proceeds from fixed deposit matured (net)	4.79	178.57
Interest received (finance income)	259.22	282.29
Dividend received	1.39	1.27
Net cash flows used in investing activities	(3,447.44)	(2,486.98)
Financing activities:		
(Repayment)/proceeds from short term borrowings (net)	(1,526.45)	995.96
Repayment of long-term borrowings	(1,386.40)	(644.40)
Proceeds from long term borrowings	2,595.67	2,400.00
Finance cost and processing charges paid	(4,195.69)	(2,418.91)
Lease liability payments	(18.57)	(16.55)
Net cash flows (used in) /from financing activities	(4,531.44)	316.10
Net increase/(decrease) in cash and cash equivalents	587.66	(107.75)
Opening cash and cash equivalents (refer note 12)	113.86	221.61
Closing cash and cash equivalents (refer note 12)	701.52	113.86

The cash flow statement is prepared using the indirect method set out in IND AS 7 - Statement of cash flow

Standalone Statement of cash flows

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Changes in liabilities arising from financing activities for year ended 31st March 2022

Particulars	Long term borrowings*	Short term borrowings	Non-current lease liabilities	Current lease liabilities
As at 01st April 2021	26,626.76	11,231.92	143.32	10.52
Proceeds from long term borrowings	2,400.00	-	-	-
Repayment of borrowings	(644.40)	-	-	-
Proceeds from short term borrowings (net)	-	995.96	-	-
Increase of foreign currency borrowing on account of revaluation	735.39	-	-	-
Lease liability payments	-	-	-	(16.55)
Other	(34.13)	-	34.98	17.77
As at 31st March 2022	29,083.62	12,227.88	178.30	11.74

*Long term borrowings includes current maturities of long term borrowings.

Changes in liabilities arising from financing activities for year ended 31st March 2023

Particulars	Long term borrowings*	Short term borrowings	Non-current lease liabilities	Current lease liabilities
As at 01st April 2022	29,083.62	12,227.88	178.30	11.74
Proceeds from long term borrowings	2,595.67	-	-	-
Repayment of borrowings	(1,386.40)	-	-	-
Repayment of short term borrowings (net)	-	(1,526.45)	-	-
Increase/(decrease) of foreign currency borrowing on account of revaluation	1,957.57	(5.31)	-	-
Lease liability payments	-	-	-	(18.57)
Other	116.04	-	6.86	16.41
As at 31st March 2023	32,366.50	10,696.12	185.16	9.58

*Long term borrowings includes current maturities of long term borrowings.

Investing and financing transactions that do not require the use of cash or cash equivalents

	Year ended 31 st March 2023	Year ended 31 st March 2022
Non-Cash investing activity		
Acquisition of Right-of use assets	5.90	36.67

Accompanying notes 1 to 51 form an integral part of these financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Regn. No. : 324982E/E300003

per Shyamsundar Pachisia

Partner

Membership No. : 049237

Date : 26th May 2023

Place : Mumbai

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

Place : Mumbai

Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

Place : Mumbai

Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai

Standalone Notes to financial statements

for the year ended 31st March 2023

1. Corporate information

Shree Renuka Sugars Limited ("SRSL" or "the Company") is a public company incorporated and domiciled in India. The Company's shares are listed on the BSE Ltd and National Stock Exchange of India Ltd. The registered office of the Company is located at 2nd and 3rd Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Nehru Nagar, Belagavi- 590010, Karnataka. The CIN number of the Company is L01542KA1995PLC019046.

The Company is principally engaged in the manufacturing and refining of sugar, ethyl alcohol, ethanol, generation and sale of power.

The financial statements for the year ended 31st March 2023 were authorised for issue by the Board of Directors of the Company on 26th May 2023.

1.1 Significant accounting policies

I. Basis of Preparation:

The financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Land, buildings and plant and machinery classified as property, plant and equipment.
- Certain financial assets and liabilities measured at fair value (refer note 2.1(II)(o) financial instruments).

The financial statements are prepared in INR and all values are rounded off to the nearest millions except when stated otherwise.

Going concern

As at 31st March 2023 the current liabilities of the Company exceed its current assets by INR 9,494.49 million. The Board of Directors of Wilmar Sugar Holdings Pte. Ltd.,(Holding Company) have provided letter of support to the Company, to meet shortfall in its normal trade related working capital requirements up to period ending 31st May 2024. Also, term loans

and working capital loans availed by the Company from Banks are secured by corporate guarantee provided by the ultimate Promoter Company (Wilmar International Limited).

Further, for the year ended 31st March 2023 the Company has loss before tax of INR 1,227.13 million and has positive net worth of INR 4,126.49 million as at 31st March 2023.

Accordingly, the Company management believes it will be able to meet all its financial obligations, on a timely basis and hence, the Company has prepared the financial results on going concern basis.

II. Summary of significant accounting policies:

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

b. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss, are also recognised in OCI or profit or loss, respectively).

c. Fair value measurement

The Company measures financial instruments, such as derivatives, at fair value at each balance

sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

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- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 2.2 and 43)
- Quantitative disclosures of fair value measurement hierarchy (note 43)
- Investment in unquoted equity shares (note 5)
- Property, plant and equipment under revaluation model (note 3)
- Financial instruments (including those carried at amortised cost) (note 43)

d. Revenue recognition

Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, i.e., at transaction price. The Company has concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before

transferring them to the customer.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods. Revenue from sale of services (sale of power) is recognised on a basis as per the contract terms based on actual services provided for the year. The normal credit term is 7 to 60 days upon delivery. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods and services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is

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recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

e. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the

current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to

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set off current tax assets against current tax liabilities.

g. Property, plant and equipment

Freehold land, buildings and plant, machinery and equipment, are carried in the balance sheet on the basis of revaluation model. The revaluation of these assets is conducted every three years by the Company.

Furniture and fixtures and vehicles are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capitalised costs include cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria are met. Capital work in progress is stated at cost, net of accumulated impairment, if any.

Land, buildings and plant and machinery are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of revaluation. 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 OCI and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognised 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.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Useful life
Buildings	5 - 60 Years
Plant and Equipment's	1 - 40 Years
Furniture and Fixtures	1 - 10 Years
Vehicles	7 - 8 Years

The Company, based on technical assessment made by experts and based on management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Intangible assets

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Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j. Leases

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-

value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Leasehold land is carried in the balance sheet based on revaluation model. Other right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

Amortisation is calculated on a straight-line basis over the lease period of the assets is as follows:

Category	Useful life
Lease hold land	24 - 78 Years
Buildings	2 - 3 Years
Plant and Equipment	12 -20 Years

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price

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of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

k. Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in

bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

- Finished goods, intermediate goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- By-products and scraps are valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

l. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be

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identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit

or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

m. Provisions and contingencies

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities exist 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 or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

n. Retirement and other employee benefits

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.

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The Company recognizes contribution payable to the provident fund scheme as an expense, 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.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the standalone statement of profit and loss:

- Service costs comprising current service costs, past-service costs; and
- Net interest expense or income

Long term employee benefits:

Compensated absences are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability

at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

o. 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.

(a) Financial assets

Initial recognition and measurement

All financial assets (except trade receivables not containing any significant financing component) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Trade receivables not containing any significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).

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- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Financial asset at amortised cost (debt instruments)

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables and loans given to subsidiaries.

Financial asset at Fair Value through OCI (FVTOCI) (debt instruments)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However,

the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss.

The Company has not designated any debt instrument as at FVTOCI.

Financial asset at Fair Value through profit and loss

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial asset designated at Fair Value through OCI (equity instruments)

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss,

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even on sale of investment. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount

of consideration that the company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as 'Trade receivables')
- d. Loan commitments which are not measured as at FVTPL
- e. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- Loans and other financial assets

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense (or income) in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation for various financial instruments is described below:

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- Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts, derivative financial instruments, lease liabilities and other financial liabilities.

Subsequent measurement

The measurement of financial liabilities

depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of

Standalone Notes to financial statements

for the year ended 31st March 2023

the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer note 18.

Other financial liabilities

The Company enters into deferred payment arrangements (letter of credit acceptances) whereby lenders such as banks and other financial institutions make payments to supplier's banks for purchase of materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements are recognized as acceptances under trade payables. Interest borne by the company on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the

terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period, attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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for the year ended 31st March 2023

r. Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments, such as foreign currency forward contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as cash flow hedges (hedging the exposure to variability in cash flows that is attributable to foreign currency risk associated with External Commercial Borrowings).

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.

- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses foreign currency forward contracts as hedges of its exposure to foreign currency risk in respect of principal portion of the External Commercial Borrowings.

The Company designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

1.2 Significant accounting judgments estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets

Standalone Notes to financial statements

for the year ended 31st March 2023

and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

1. Revaluation of property, plant and equipment

The Company measures land, buildings, plant and machinery classified as property, plant and equipment at revalued amounts with changes in fair value being recognised in OCI. The Company had engaged an independent valuation specialist to assess fair value as at 31st March 2022 for revaluation of land, buildings, plant and equipment. Fair value of land was determined by using the market approach, fair value of building was determined by using depreciated replacement cost (DRC) and rent capitalisation method and sales comparison method of market approach and fair value of plant & equipment was determined by using depreciated replacement cost (DRC) method. The key assumptions used to determine fair value of the property, plant and equipment are provided in Note 3.

2. Taxes

The Company has unabsorbed depreciation of INR 16,122.20 million (31st March 2022: INR 15,592.72 million), unabsorbed tax losses of INR 5,555.59 million (31st March 2022: INR 5,555.59 million) on which deferred tax asset has been created; in addition, the Company has MAT credit entitlement of INR Nil (31st March 2022: Nil). The unabsorbed depreciation can be

carried forward for indefinite period, whereas the unabsorbed losses and the MAT credit entitlement can be carried forward for 8 years and 15 years respectively.

3. Valuation of investments

Investments in subsidiaries are carried at cost in the financial statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of profit and loss.

The recoverable amount calculation is based on a DCF (Discounted Cash Flow) model or fair value of underlying assets and liabilities of the subsidiary (in case of non-operating subsidiaries). The cash flows are based on projections approved by the Board of Directors of the Company and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

4. Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of

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for the year ended 31st March 2023

government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 39.

1.3 New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 01st April 2022.

1. Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 01st April 2022. These amendments had no impact on the consolidated financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

These amendments had no impact on the consolidated financial statements of the Company.

2. Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the

terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the consolidated financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

1.4 Recent accounting pronouncements issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31st March 2023 to amend the following Ind AS which are effective from 01st April 2023.

1. Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 01st April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

Standalone Notes to financial statements

for the year ended 31st March 2023

2. Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 01st April 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently assessing the impact of the amendments.

3. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 01st April 2023.

The Company is currently assessing the impact of the amendments.

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for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Freehold land	Buildings	Plant, machinery and equipment	Furniture and fixtures**	Vehicles**	Right-of-use assets*	Total for property, plant and equipment (A)	Capital work-in-progress## (B)	Total (A+B)
Gross block									
As at 01st April 2021	2,051.65	8,197.57	38,114.77	165.96	30.84	2,441.55	51,002.34	91.58	51,093.92
Additions	8.36	54.45	453.44	19.27	5.52	45.42	586.46	2,301.39	2,887.85
Disposals	-	(4.32)	(81.26)	(20.93)	(3.38)	(0.43)	(110.32)	-	(110.32)
Adjustments	-	(99.00)	99.00	-	-	-	-	-	-
Revaluation	(47.35)	2,036.10	1,743.72	-	-	(58.71)	3,673.76	-	3,673.76
Transfer#	-	(2,815.82)	(13,326.43)	-	-	(42.28)	(16,184.53)	-	(16,184.53)
As at 31st March 2022	2,012.66	7,368.98	27,003.24	164.30	32.98	2,385.55	38,967.71	2,392.97	41,360.68
Additions	15.04	376.27	5,271.50	28.71	7.55	9.89	5,708.96	(1,246.76)	4,462.20
Disposals	-	(3.35)	(76.89)	(57.60)	(5.00)	(1.76)	(144.60)	-	(144.60)
As at 31st March 2023	2,027.70	7,741.90	32,197.85	135.41	35.53	2,393.68	44,532.07	1,146.21	45,678.28
Depreciation and impairment									
As at 01st April 2021	-	2,506.16	11,800.01	82.66	10.25	565.79	14,964.87	-	14,964.87
Depreciation charge for the year (refer note 33)	-	298.18	1,547.31	26.36	4.48	127.40	2,003.73	-	2,003.73
Disposals	-	(1.55)	(35.41)	(20.20)	(3.38)	-	(60.54)	-	(60.54)
Impairment	-	13.03	14.52	0.01	-	-	27.56	-	27.56
Transfer#	-	(2,815.82)	(13,326.43)	-	-	(42.28)	(16,184.53)	-	(16,184.53)
As at 31st March 2022	-	-	-	88.83	11.35	650.91	751.09	-	751.09
Depreciation charge for the year (refer note 33)	-	414.14	1,704.76	28.60	5.00	133.06	2,285.56	-	2,285.56
Disposals	-	(3.35)	(51.58)	(57.44)	(5.00)	-	(117.37)	-	(117.37)
As at 31st March 2023	-	410.79	1,653.18	59.99	11.35	783.97	2,919.28	-	2,919.28
Net book value									
As at 31st March 2023	2,027.70	7,331.11	30,544.67	75.42	24.18	1,609.71	41,612.79	1,146.21	42,759.00
As at 31st March 2022	2,012.66	7,368.98	27,003.24	75.47	21.63	1,734.64	38,216.62	2,392.97	40,609.59

* For further information refer note 47

** These assets were carried at deemed cost at the time of transition to Ind AS

This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset, to bring the gross block of asset on the revaluation date equivalent to fair value of assets.

Capital work-in-progress is net of additions made during the year.

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for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note : Buildings include those constructed on Leasehold Land as under :

	As at 31 st March 2023	As at 31 st March 2022
Depreciation Charge for the year	46.69	25.79
Gross Block	1,374.51	841.36
Accumulated Depreciation	(430.88)	(384.19)
Revaluation	-	351.71
Net Block	943.63	808.88

A. Assets under construction :

Capital work in progress as at 31st March 2023 comprises of expenditure incurred for construction of building and plant and machinery pertaining to ethanol expansion project at one plant of the Company of INR 970.34 million and this project is expected to be completed by 30th September 2023.

The other costs comprises expenditure incurred for construction of plant and machinery and building including material procured for multiple projects at other plants.

B. Capitalisation of borrowing cost :

During the current year, the Company has capitalized borrowing costs related to ethanol expansion projects being undertaken at two manufacturing units of the Company, i.e., Athani and Munoli.

The above-mentioned capital expansion is financed by Bank. The amount of borrowing cost capitalised during the year is INR 187.30 million (31st March 2022: INR 41.17 million). The rate used to determine amount of borrowing costs eligible for capitalisation is 4.44% (31st March 2022: 4.33%), which is the EIR of those specific borrowings.

C. Revaluation of land, buildings and plant, machinery and equipment :

During the previous year ended 31st March 2022, the Company had appointed a registered independent valuer who has relevant experience for valuation of property, plant and equipment and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The valuer was appointed to determine the fair value of freehold land, building, plant and machineries and leasehold land (forming part of right of use assets). As an outcome of this process, the Company had recognised decrease in the gross block of freehold land of INR 47.35 million and leasehold land included under right of use assets of INR 58.71 million and increase in building of INR 2,036.10 million and plant and machineries of INR 1,743.72 million. The Company recognised this increase within the revaluation reserve and statement of other comprehensive income during the previous year.

The fair values were determined after considering physical condition of the asset, technical usability / capacity, salvage value, quotes from independent vendors. The fair value of land was determined using market approach and building, plant, machinery and equipment using Depreciated Replacement Cost (DRC). The DRC was derived from the Gross Current Reproduction / Replacement Cost (GCRC) which is reduced by considering depreciation. The fair value measurement was classified under level 3 of the fair value hierarchy.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Significant unobservable valuation input :

Asset	Valuation technique	Significant unobservable inputs
Freehold land/ Leasehold 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.
Building	Depreciated Replacement Cost (DRC) and Rent Capitalisation Method and Sales Comparison Method of Market Approach	Building/structural sheds were measured considering the DRC cost method for the constructed area depending on utility including alternate use and design of building structures condition, actual physical condition and state of repairs and maintenance, type of general and special specifications of construction, remaining useful economic life of the structures, demand for the structures, cost of building materials and related construction supplies in the surrounding area, latest trends in the building construction technology, present day replacement cost of comparable building structures, depreciation for physical wear and tear. Valuation of building structures at one of the plants of the Company was done on the basis of value in use, which has been identified using the estimation of the building value using rent capitalization method which relates value to the market rent that a property can be expected to earn and to the resale value. Sales Comparison Method of Market Approach has been used for the valuation of some office premises and residential apartments of the Company.
Plant, machinery and equipment	Depreciated Replacement Cost (DRC)	The Valuation of Plant & Machinery is carried out by using replacement cost method under cost approach of valuation. The Gross Current replacement cost of the assets under valuation means the price expected to replace the existing asset with similar or equivalent new asset as on date of valuation. Since the exercise is based on the in-situ scenario, the direct/indirect costs like loading/unloading, transportation, Erection and Commissioning, Cost of Foundation etc., have been included while estimating the Gross Current Replacement cost (GCRC) of the Plant & Machinery. The Depreciated Replacement Cost is derived from the Gross Current Replacement Cost (GCRC) after deduction of depreciation based on age of the asset. The DRC is adjusted towards the obsolescence (including economic obsolescence), potential profitability and service potential in order to estimate the market value of "in-situ" of the plant and machinery.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Information of revaluation model (gross of deferred tax) :

	Amount
As at 01st April 2021	13,685.04
Measurement recognised in reserves	3,673.76
Depreciation	(685.21)
Disposed off/impaired	(35.82)
As at 31st March 2022	16,637.77
Measurement recognised in reserves	-
Depreciation	(1,073.33)
Disposed off/impaired	0.33
As at 31st March 2023	15,564.77

If land, buildings and plant, machinery and equipment were measured using the cost model. The carrying amounts would be as follows:

Net book value	As at 31 st March 2023	As at 31 st March 2022
Cost (net of impairment)		
Freehold land	518.49	503.45
Right of use assets	1,678.99	1,671.34
Buildings	6,251.77	5,878.85
Plant, machinery and equipment	36,587.77	31,366.48
	45,037.02	39,420.12
Accumulated depreciation (net of impairment)		
Freehold land	-	-
Right of use assets	363.84	361.70
Buildings	2,866.34	2,675.45
Plant, machinery and equipment	15,858.42	14,901.22
	19,088.60	17,938.37
Net carrying amount		
Freehold land	518.49	503.45
Right of use assets	1,315.15	1,309.64
Buildings	3,385.43	3,203.40
Plant, machinery and equipment	20,729.35	16,465.26
	25,948.42	21,481.75

D. Impairment assessment of CGU :

As per the requirements of Ind AS 36, the Company tests at the end of every reporting period, whether there is any indication that the property, plant and equipment may be impaired. If any such indication exists, the Company estimates the recoverable amount of the property, plant and equipment. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. There were no indicators during the year ended 31st March 2023.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

F. Capital work in progress (CWIP) Ageing Schedule :

As at 31st March 2023

	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,092.87	51.87	0.93	0.54	1,146.21
Projects temporarily suspended	-	-	-	-	-
Total	1,092.87	51.87	0.93	0.54	1,146.21

As at 31 March 2022

	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,357.67	31.63	1.76	1.91	2,392.97
Projects temporarily suspended	-	-	-	-	-
Total	2,357.67	31.63	1.76	1.91	2,392.97

G. Completion is overdue to its original plan :

As at 31st March 2023

	To be completed in				Total	Expected date of completion
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Project 1	970.34	-	-	-	970.34	30 September 2023
Project 2	112.16	-	-	-	112.16	31 August 2023
Others	17.36	-	-	-	17.36	31 July 2023
Total	1,099.86	-	-	-	1,099.86	

As at 31 March 2022

	To be completed in				Total	Expected date of completion
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Project 1	160.87	-	-	-	160.87	30 November 2022
Project 2	97.70	-	-	-	97.70	31 July 2022
Others	105.76	-	-	-	105.76	31 August 2022
Total	364.33	-	-	-	364.33	

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

H. The title deeds of immovable properties are held in the name of the Company, except for the following cases :

Description of Property	Gross carrying value	Net carrying amount	Title deeds held in the name of	Whether promoter, director or their relative or employee	Period held since	Reason for not being held in the name of Company
Freehold Land	22.62	22.62	Godavari Dudhna Sahakari Sakhar Kharkhana Limited	No	From September 2008	Litigation in Supreme Court pertaining to dispute between the original owners of the land.

Note 4: Intangible assets

	Computer software
Gross block	
As at 01st April 2021	37.87
Additions	0.81
Disposals	(0.18)
As at 31st March 2022	38.50
Additions	0.03
Disposals	(1.53)
As at 31st March 2023	37.00
Amortisation and impairment	
As at 01st April 2021	24.55
Amortisation for the year (refer note 33)	6.08
Disposals	(0.18)
As at 31st March 2022	30.45
Amortisation for the year (refer note 33)	5.55
Disposals	(1.53)
As at 31st March 2023	34.47
Net book value	
As at 31st March 2023	2.53
As at 31st March 2022	8.05

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 5: Investments

	Currency	Face value	As at 31 st March 2023		As at 31 st March 2022	
			Number of units	INR Million	Number of units	INR Million
Non Current:						
Unquoted equity shares: At amortised cost						
In Subsidiary Companies						
KBK Chem-Engineering Private Limited (refer note 5 (a) below)	INR	100	3,99,771	1,297.92	1,69,143	547.92
Less: Impairment allowance (refer note 5 (a) below)				(750.00)		-
				547.92		547.92
Gokak Sugars Limited	INR	10	3,29,37,140	187.26	3,29,37,140	187.26
Less: Impairment allowance (refer note 5 (b) below)				(70.99)		(70.99)
				116.27		116.27
Monica Trading Private Limited (refer note 5 (d) below)	INR	10	10,000	171.52	10,000	171.52
Less: Impairment allowance (refer note 5 (c) below)				(62.70)		(62.70)
				108.82		108.82
Renuka Commodities DMCC	AED	10000	40	4.97	40	4.97
Less: Impairment allowance				(4.97)		(4.97)
				-		-
Shree Renuka Agri Ventures Limited (refer note 5 (d) below)	INR	10	2,50,000	2.50	2,50,000	2.50
Less: Impairment allowance				(2.50)		(2.50)
				-		-
Shree Renuka East Africa Agriventures PLC	Birr	180	9,999	5.19	9,999	5.19
Less: Impairment allowance				(5.19)		(5.19)
				-		-
Shree Renuka Tunaport Private Limited (refer note 5 (d) below)	INR	10	10,000	0.10	10,000	0.10
Less: Impairment allowance				(0.10)		(0.10)
				-		-
In other companies						
Unquoted equity shares: At fair value through other comprehensive income (fully paid)						
National Commodity & Derivatives Exchange Ltd. (NCDEX) (refer note 43)	INR	10	25,33,700	420.82	25,33,700	429.16
Aggregate value of total Investment				1,193.83		1,202.17
Aggregate value of unquoted investment				2,090.28		1,348.62
Aggregate amount of impairment allowance in value of investments				(896.45)		(146.45)

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 5 (a): Based on the request received from KBK Chem-Engineering Private Limited ('KBK'), a wholly owned subsidiary of the Company and approval of the Board of Directors of SRSL, loan given to KBK was partially converted into equity shares of the subsidiary. KBK issued 230,628 shares of INR 3,252/share (at a premium of INR 3,152/share), on conversion loan of INR 750 million into equity. The loan was converted into equity share capital based on the valuation report of KBK received by the Company from a registered valuer for the year ended 31st March 2022. Since the value of investment after conversion of loan exceeded the fair value of investment of KBK, as certified by the valuer, management recorded an impairment provision of INR 750 million on the value of investment. Also, the impairment recognized in earlier years on loan balance converted into equity of INR 750 million was reversed on conversion of the loan. Thus, the provision for impairment of investment of INR 750 million and reversal of provision for doubtful loan receivable of INR 750 million, recorded in the current period had a net impact of INR Nil on the Statement of Profit and Loss and thus, were presented as net off each other in the Statement of Profit and Loss.

Note 5 (b): Investment in Gokak Sugars Limited is carried at cost in financial statements. Wherever indicators of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. There were no indicators of impairment identified during the year ended 31st March 2023 and 31st March 2022, pertaining to the Company's investment in Gokak Sugars Limited.

Note 5 (c): In respect of investments made in Monica Trading Private Limited (MTPL), the Company had not identified any indicators of impairment in the current year. In the previous year ended 31st March 2022, the Company had recognised an impairment of INR 2.90 million in the statement of profit and loss pertaining to this investment on identification of indicators of impairment.

Note 5 (d): The Board of Directors, at its meeting held on 24th May 2022, approved the Scheme of Amalgamation of three wholly owned subsidiaries of the Company, namely, Monica Trading Private Limited ('MTPL'), Shree Renuka Agri Ventures Limited ('SRAVL') and Shree Renuka Tunaport Private Limited ('SRTPL') (referred to as "scheme of merger"), with the Company. The scheme for merger was filed with the Stock Exchanges on 01st August 2022. The Company then filed an application with National Company Law Tribunal, Mumbai Bench for merger of MTPL and National Company Law Tribunal, Bengaluru Bench for merger of SRAVL and SRTPL with the Company.

The Official Liquidator has completed its audit of the records of MTPL and final reports of the Registrar of Companies and the Regional Director are awaited. In respect of applications made to NCLT, Bengaluru Bench, the Company is in the process of sending notices to creditors of SRAVL & SRTPL as per directions received from the NCLT.

Post regulatory and other necessary approvals, the merger would be accounted by applying the principles of Appendix C of Ind AS 103 – 'Business combinations of entities under common control' using pooling of interest method.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 6: Non-current loans

	As at 31 st March 2023	As at 31 st March 2022
Unsecured & considered good (at amortised cost) :		
Loans to related parties (refer note 41 (C))	2,828.23	3,707.40
Less: Impairment allowance (refer note 41 (C))	(1,312.34)	(2,062.35)
	1,515.89	1,645.05
Break-up for security details		
Unsecured, considered good	1,515.89	1,645.05
Unsecured, credit impaired	1,312.34	2,062.35
(A)	2,828.23	3,707.40
Impairment allowance*		
Unsecured, considered good	-	-
Unsecured, credit impaired (refer note 41 (C) and note 5)	(1,312.34)	(2,062.35)
(B)	(1,312.34)	(2,062.35)
(A-B)	1,515.89	1,645.05

*The Company has recognised impairment allowance on life time expected credit loss basis towards loan given to its subsidiaries.

Note 7: Other non-current financial assets

	As at 31 st March 2023	As at 31 st March 2022
Unsecured & considered good (at amortised cost) :		
Fixed deposit pledged with bank/deposited with government authorities	93.87	46.69
Deposits	314.15	127.92
Less: Impairment allowance	(71.56)	(71.56)
	242.59	56.36
	336.46	103.05
Break-up for security details		
Unsecured, considered good	336.46	103.05
Unsecured, credit impaired	71.56	71.56
(A)	408.02	174.61
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	(71.56)	(71.56)
(B)	(71.56)	(71.56)
(A-B)	336.46	103.05

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 8: Other non-current assets

	As at 31 st March 2023	As at 31 st March 2022
Capital advances*	58.67	514.07
Balances with government authorities	-	90.44
Amount paid under protest to government authorities	543.79	494.56
Less: Impairment allowance	(154.30)	(104.26)
	389.49	390.30
	448.16	994.81
Break-up for security details		
Unsecured, considered good	448.16	994.81
Unsecured, credit impaired	154.30	104.26
(A)	602.46	1,099.07
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	(154.30)	(104.26)
(B)	(154.30)	(104.26)
(A-B)	448.16	994.81

* Includes capital advance given to subsidiaries INR 10.14 million (31st March 2022: INR 325.71 million) (refer note 41 (C))

Note 9: Income tax

The major components of income tax expenses for the year ended 31st March 2023 and 31st March 2022 are:

	As at 31 st March 2023	As at 31 st March 2022
Deferred tax :		
Relating to origination and reversal of temporary differences	130.17	83.87
Income tax expense reported in the statement of profit and loss	130.17	83.87

OCI Section

Deferred tax related to items recognised in OCI during the year

	As at 31 st March 2023	As at 31 st March 2022
Net loss on remeasurements of defined benefit plans	(16.77)	(1.54)
Revaluation of land, building and plant and machinery	-	1,160.99
Reversal of revaluation reserve on disposal / impairment of property, plant and equipment	0.10	(11.18)
Income tax expenses/(Income) charged to OCI	(16.67)	1,148.27

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Reconciliation of tax expenses and the accounting profit multiplied by the India's domestic tax rate for year ended 31st March 2023 and 31st March 2022

	As at 31 st March 2023	As at 31 st March 2022
Accounting profit before tax	(1,227.13)	1,214.52
At India's statutory income tax rate of 31.2% (31 st March 2022: 31.2%)	(382.86)	378.93
Difference in book depreciation and tax depreciation	143.31	48.50
Interest remission by affiliate company	34.68	-
Movement of interest unwinding on government grant	50.35	34.80
Losses utilise during the previous year	-	266.08
Provisions written back, not claimed as expenses in earlier years	(3.88)	(858.15)
Expenses of capital nature and provisions disallowed	69.67	41.37
Reversal of DTA on conversion of loan into investments	235.10	-
MAT credit written off	-	196.78
Others	(16.20)	(24.44)
Income tax expense in the statement of profit and loss	130.17	83.87

Deferred tax

	As at 31 st March 2023	As at 31 st March 2022
Difference between carrying value of PPE and WDV as per the income tax act	(8,593.73)	(8,507.17)
Expenses claimed on payment basis	483.69	676.75
Losses available for offsetting against future taxable income	6,764.40	6,598.28
Net deferred tax liability	(1,345.64)	(1,232.14)

Presented in the balance sheet as follows:

	As at 31 st March 2023	As at 31 st March 2022
Deferred Tax Assets (DTA)	-	-
Deferred Tax Liabilities (DTL)	(1,345.64)	(1,232.14)
Deferred Tax Liabilities (DTL)	(1,345.64)	(1,232.14)

Reconciliation of deferred tax liabilities :

	As at 31 st March 2023	As at 31 st March 2022
Opening balance as at 01 st April	(1,232.14)	-
Tax expense during the period recognised in profit and loss	(130.17)	(83.87)
Tax income/(expense) during the period recognised in OCI	16.67	(1,148.27)
Closing balance	(1,345.64)	(1,232.14)

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits.

The Company has unabsorbed depreciation of INR 16,122.20 million (31st March 2022: INR 15,592.72 million), unabsorbed tax losses of INR 5,555.59 million (31st March 2022: INR 5,555.59 million) on which deferred tax asset has been created. The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed business losses can be carried forward for 8 years. Accordingly, the deferred tax assets are recognized to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

The Company has unabsorbed tax losses of INR 2,635.11 million (31st March 2022: INR 2,635.11 million) on which deferred tax asset has not been created. The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses can be carried forward for 8 years and will expire by financial year 2029-30.

Note 10: Inventories

	As at 31 st March 2023	As at 31 st March 2022
Raw materials and components (at cost) (includes transit stock INR 1.85 million (31 st March 2022: INR 2.76 million))	5,048.77	4,288.07
Stores and spares (at cost)* (includes transit stock INR 5.73 million (31 st March 2022: INR 25.55 million))	625.41	524.17
Intermediate products (at net realisable value) (includes transit stock Nil (31 st March 2022: INR 50.51 million))	2,514.63	4,369.45
Finished goods: (at lower of cost or net realisable value) (includes transit stock INR 1.14 million (31 st March 2022: INR 69.96 million))		
Manufactured	14,180.64	10,805.34
	22,369.45	19,987.03

* Includes packing material and consumables

Cost of inventories includes expenses of INR 233.80 million (31st March 2022: INR 23.39 million) in respect of write down of inventories to Net realisable value.

Note 11: Trade receivables

	As at 31 st March 2023	As at 31 st March 2022
Unsecured, considered good		
Receivables from third parties	1,355.19	1,852.35
Less: Impairment allowance	(188.86)	(186.15)
	1,166.33	1,666.20
Receivables from related parties (refer note 41 (C))	887.54	1,357.49
Less: Impairment allowance	-	-
	887.54	1,357.49
	2,053.87	3,023.69
Break-up for security details:		
Unsecured, considered good		
Receivables from third parties	1,166.33	1,666.20
Receivables from related parties (refer note 41 (C))	887.54	1,357.49
Unsecured, credit impaired		
Receivables from third parties	188.86	186.15
Receivables from related parties (refer note 41 (C))	-	-
(A)	2,242.73	3,209.84

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	As at 31 st March 2023	As at 31 st March 2022
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Unsecured, credit impaired	(188.86)	(186.15)
(B)	(188.86)	(186.15)
(A-B)	2,053.87	3,023.69

During the year, the Company has recognised impairment allowance on 12-month expected credit loss model amounting to INR 3.47 million (31st March 2022: INR Nil). Also during the year, the Company has recognised impairment allowance on lifetime expected credit loss model amounting to INR Nil (31st March 2022: INR 43.63 million).

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Trade or other receivables due from firms or private companies in which any director is a partner or a director or a member is mentioned in note 41(C).

Trade receivables are non-interest bearing and are generally on terms of 7 to 60 days.

Trade receivables Ageing Schedule

Outstanding for following periods from due date of payment	As at 31 st March 2023	As at 31 st March 2022
i. Undisputed Trade Receivables - considered good :		
Curent but not due	983.74	2,123.40
Less than 6 Months	1,037.05	792.55
6 months – 1 year	8.50	89.00
1-2 years	8.30	2.69
2-3 years	2.02	1.18
More than 3 years	14.26	14.87
	2,053.87	3,023.69
ii. Disputed Trade Receivables - considered good :		
Curent but not due	-	-
Less than 6 Months	-	-
6 months – 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
iii. Undisputed Trade Receivables - credit impaired :		
Curent but not due	-	-
Less than 6 Months	-	-

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Outstanding for following periods from due date of payment

	As at 31 st March 2023	As at 31 st March 2022
6 months – 1 year	0.77	-
1-2 years	0.75	-
2-3 years	0.18	-
More than 3 years	1.30	-
	3.00	-
iv. Disputed Trade Receivables - credit impaired :		
Current but not due	-	-
Less than 6 Months	1.03	-
6 months – 1 year	-	5.25
1-2 years	5.25	12.25
2-3 years	12.25	23.88
More than 3 years	167.33	144.77
	185.86	186.15

Note 12: Cash and cash equivalents

	As at 31 st March 2023	As at 31 st March 2022
Unsecured and considered good (at amortised cost) :		
Cash and cash equivalents:		
Cash on hand	0.01	0.26
Balances with banks:		
in current accounts	701.51	113.60
	701.52	113.86

Note 13: Other bank balances

	As at 31 st March 2023	As at 31 st March 2022
Unsecured and considered good (at amortised cost) :		
Other bank balances:		
Earmarked balances		
Unpaid dividend account	0.02	0.02
Fixed deposit pledged with bank/deposited with government authorities*	123.15	175.12
	123.17	175.14

*Fixed deposit with banks include amounts that have been provided as margin money and those that have been pledged with government authorities towards guarantee.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 14: Current loans

	As at 31 st March 2023	As at 31 st March 2022
Unsecured and considered good (at amortised cost) :		
Loans given to related parties		
To subsidiary companies (refer note 41 (C))	12,251.18	12,255.68
Less: Impairment allowance (refer note 41 (C))	(12,114.02)	(12,118.52)
	137.16	137.16
Break-up for security details		
Unsecured, considered good	137.16	137.16
Unsecured, credit impaired	12,114.02	12,118.52
(A)	12,251.18	12,255.68
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	(12,114.02)	(12,118.52)
(B)	(12,114.02)	(12,118.52)
(A-B)	137.16	137.16

Note 15: Other current financial assets

	As at 31 st March 2023	As at 31 st March 2022
Unsecured and considered good (at amortised cost) :		
Derivative asset	-	204.91
Duty drawback receivable	14.68	34.74
Interest receivable*	205.20	79.99
Less: Impairment allowance (refer note 41 (C))	(43.14)	(29.23)
	162.06	50.76
Other receivables**	100.51	127.07
	277.25	417.48
Break-up for security details		
Unsecured, considered good	277.25	417.48
Unsecured, credit impaired	43.14	29.23
(A)	320.39	446.71
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	(43.14)	(29.23)
(B)	(43.14)	(29.23)
(A-B)	277.25	417.48

* Includes due from subsidiaries INR 43.14 million (31st March 2022: INR 29.23 million) (refer note 41 (C))

** Includes due from related parties INR 81.99 million (31st March 2022: INR 117.17 million) (refer note 41 (C))

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 16: Other current assets

	As at 31 st March 2023	As at 31 st March 2022
Prepayments	158.91	146.30
Balances with government authorities	2,021.59	1,723.72
Advance to related parties for supply of goods and services (refer note 41 (C))	452.41	163.15
Less: Impairment allowance (refer note 41 (C))	(91.24)	(91.24)
	361.17	71.91
Advance to suppliers (other than related parties)	482.40	432.90
Less: Impairment allowance	(137.84)	(142.47)
	344.56	290.43
Others	419.41	433.77
Less: Impairment allowance	(394.55)	(394.55)
	24.86	39.22
	2,911.09	2,271.58
Break-up for security details		
Unsecured, considered good	2,911.09	2,271.58
Unsecured, credit impaired	623.63	628.26
(A)	3,534.72	2,899.84
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	(623.63)	(628.26)
(B)	(623.63)	(628.26)
(A-B)	2,911.09	2,271.58

Note 17a: Equity share capital

	As at 31 st March 2023	As at 31 st March 2022
a) Authorised share capital		
8,000,000,000 Equity shares of INR 1 each	8,000.00	8,000.00
171,500,000 Preference shares of INR 100 each	17,150.00	17,150.00
	25,150.00	25,150.00
b) Issued, subscribed and paid up		
2,128,489,773 Equity shares of INR 1 each fully paid	2,128.49	2,128.49
	2,128.49	2,128.49

Terms/rights attached to equity shares

The Company has only one class of equity shares having face value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend if any in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Issued equity capital

	Number of equity shares	Amount
As at 01st April 2021	2,128,489,773	2,128.49
Shares issued during the year	-	-
As at 31st March 2022	2,128,489,773	2,128.49
Shares issued during the year	-	-
As at 31st March 2023	2,128,489,773	2,128.49

Details of shareholders holding more than 5% shares in the equity share capital of the Company

Name of the Shareholder	As at 31 st March 2023		As at 31 st March 2022	
	No. of Shares	% holding	No. of Shares	% holding
Wilmar Sugar Holdings Pte. Ltd.	1,329,875,232	62.48%	1,329,875,232	62.48%
ICICI Bank Limited	171,675,640	8.07%	171,675,640	8.07%

Shares held by promoters at the end of the year

Promoter name	No. of Shares	% of total shares	% change during the year
Wilmar Sugar Holdings Pte. Ltd.	1,329,875,232	62.48%	0.00%

Note 17b: Other equity

	As at 31 st March 2023	As at 31 st March 2022
Securities premium account (refer note a below)	32,034.84	32,034.84
Debenture Redemption Reserve (DRR) (refer note b below)	625.00	625.00
Equity contribution from parent (refer note c below)	574.46	463.32
Changes in equity instruments (refer note c below)	120.92	129.26
Revaluation reserve (refer note c below)	9,924.53	10,662.75
Retained earnings (refer note c below)	(41,199.68)	(40,543.84)
Cost of hedging reserve (refer note c below)	(82.07)	(29.98)
	1,998.00	3,341.35

a. Securities premium account :

	INR million
As at 01st April 2021	32,034.84
Shares issued during the year	-
As at 31st March 2022	32,034.84
Shares issued during the year	-
As at 31st March 2023	32,034.84

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Securities premium reserve is credited when shares are issued at premium. The reserve is utilised in accordance with the provisions of the Companies Act 2013 (the Act).

b. Debenture Redemption Reserve (DRR) :

	INR million
As at 01st April 2021	625.00
Transfer to/(from) retained earnings	-
As at 31st March 2022	625.00
Transfer to/(from) retained earnings	-
As at 31st March 2023	625.00

The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and debentures) Rules, 2014 (as amended), require the Company to create DRR out of profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued over the life of debentures.

c. Other reserves :

	As at 31 st March 2023	As at 31 st March 2022
Equity contribution from parent	574.46	463.32
Changes in equity instruments	120.92	129.26
Revaluation reserve	9,924.53	10,662.75
Retained earnings	(41,199.68)	(40,543.84)
Cost of hedging reserve	(82.07)	(29.98)
Total other reserves	(30,661.84)	(29,318.49)

Equity Contribution from Parents :

During the year, Company had received waiver in respect of interest accrued on trade payables for purchase of raw sugar and advances for sale of white sugar received from its affiliate company Wilmar Sugar Pte. Ltd. amounting to INR 111.14 million. The Company accounted for these waivers as equity contribution from the parent and has presented the same as a separate component of equity under other equity as per Ind AS 109 - Financial instruments.

Changes in equity instruments :

Changes in equity instrument, represents reserves created in respect of investment in unquoted equity shares carried at Fair Value Through Other Comprehensive Income.

Revaluation reserve :

Revaluation reserve is credited when property, plant and equipment are revalued at fair value. The reserve is utilised in accordance with the requirements of Ind AS 16. During the year, the Company recognised impairment of property, plant and equipment through revaluation reserve amounting to INR Nil (31st March 2022: INR 7.57 million) (net of deferred tax) and recognised amount of INR 0.23 million (31st March 2022: INR 17.07 million) (net of deferred tax) as reversal of revaluation reserve on disposal of assets. During the year, the Company recognised revaluation reserve (net of deferred tax) of INR Nil (31st March 2022: 2,512.77 million) on revaluation of property, plant and equipment as per Company's accounting policies.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Retained earnings :

Retained earnings represents surplus/(deficit) earned from the operations of the Company.

Cost of hedging reserve :

The Company designates the forward element of foreign currency forward contracts as cost of hedging and accumulates this cost in the statement of other comprehensive income over the term of the contract. Such amount is amortised to the statement of profit and loss on a systematic basis over the life of the contract.

Note 18: Borrowings (non-current)

	As at 31 st March 2023	As at 31 st March 2022
Secured		
a) Non-convertible debentures (refer note A, note B and note C below)		
750 Redeemable non-convertible debentures (11.70%) of INR 1,000,000 each (31 st March 2022: 1,500 Redeemable NCD's)	455.23	1,268.98
750 Redeemable non-convertible debentures (11.00%) of INR 1,000,000 each	750.00	-
500 Redeemable non-convertible debentures (11.30%) of INR 1,000,000 each (31 st March 2022: 1,000 Redeemable NCD's)	303.48	845.98
500 Redeemable non-convertible debentures (11.00%) of INR 1,000,000 each	500.00	-
b) Term Loans (refer note A and note B below)		
From Holding Company - Wilmar Sugar Holdings Pte. Ltd. (refer note A(a) & note B below)		
External Commercial Borrowings (ECB) (refer note 41 (D))	24,445.92	22,390.10
Unsecured		
Term Loans (refer note A and note C below)		
From Banks and financial institutions	5,911.87	4,578.56
	32,366.50	29,083.62
Less: Current maturity of long-term borrowings transferred to short term borrowings (refer note 22)	(1,787.59)	(1,527.48)
	30,578.91	27,556.14

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Terms of loan outstanding as at 31st March 2023

Particulars	Maturity	Effective rate of interest	As at 31 st March 2023	As at 31 st March 2022
Non-convertible debentures :				
Non-convertible debentures - LIC*	31 st March 2028	11.70%	455.23	1,268.98
Non-convertible debentures - LIC*	31 st March 2032	11.00%	750.00	-
Non-convertible debentures - LIC*	31 st March 2028	11.30%	303.48	845.98
Non-convertible debentures - LIC*	31 st March 2032	11.00%	500.00	-
Term Loans				
From Banks and financial institutions :				
First Abu Dhabi Bank	12 th May 2026	9.70%	1,854.37	2,389.05
Standard Chartered Bank	06 th June 2026	8.74%	2,834.03	2,189.51
DBS Bank	04 th May 2027	8.44%	1,223.47	-
From Holding Company - Wilmar Sugar Holdings Pte. Ltd. :				
External Commercial Borrowings (ECB)	27 th August 2025	6.24% #	24,445.92	22,390.10

ECB carry the interest @ 6 months LIBOR + 3%. The EIR is calculated including applicable taxes, but excluding hedging cost.

*During the year ended 31st March 2023, the Company has restructured its 11.70% non-convertible debentures (NCD) amounting to INR 1,500 million and 11.30% NCD amounting to INR 1,000 million, for which the Company received a revised letter of intent from Life Insurance Corporation of India ("LIC") on 21st October 2022 for modification in terms of NCD and security thereon. The said NCD's are restructured as follows:

Particulars	Face value	Amount outstanding as at March 31, 2023
11.70% NCD	750.00	455.23
11.00% NCD	750.00	750.00
11.30% NCD	500.00	303.48
11.00% NCD	500.00	500.00

Prior to the restructuring agreement, the Company was accruing interest expenses on these NCD's as per the original agreement with the debenture holder for the period from 01st July 2018 to 30th September 2022. However, as a part of the restructuring agreement, the Company and the debenture holder agreed on interest payment for the period from 01st July 2018 to 30th September 2022 of INR 262.50 million. Pursuant to this, the excess amount of accrual amounting to INR 311.42 million has been written back and accounted as other income during the year ended 31st March 2023.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note A: Repayment schedule of external commercial borrowings, term loans and non-convertible debentures is as follows:

a) The External Commercial Borrowings (ECB) was received from its holding Company (Wilmar Sugar Holdings Pte. Ltd.) in the financial year 2020-21. The loan is repayable on maturity i.e. after 60 months from the date of last receipt of ECB. The maturity date of ECB is 27th August 2025.

b) The repayment schedule of the non convertible debentures are as follows :

Particulars	No. of installments	Date of first installment	Date of last installment
750 Redeemable non-convertible debentures (11.70%) of INR 1,000,000 each	39 structured quarterly installments	30 th September 2018	31 st March 2028
750 Redeemable non-convertible debentures (11.00%) of INR 1,000,000 each	12 structured quarterly installments	30 th June 2029	31 st March 2032
500 Redeemable non-convertible debentures (11.30%) of INR 1,000,000 each	39 structured quarterly installments	30 th September 2018	31 st March 2028
500 Redeemable non-convertible debentures (11.00%) of INR 1,000,000 each	12 structured quarterly installments	30 th June 2029	31 st March 2032

c) Term loans availed from First Abu Dhabi Bank, having maturity date of 12th May 2026, are repayable in 20 structured quarterly instalments commencing from 12th August 2021.

d) Term loans availed from DBS, having maturity date of 04th May 2027, are repayable in 16 structured quarterly instalments commencing from 04th August 2023.

e) Term loans availed from Standard Chartered Bank, having maturity date of 06th June 2026, are repayable in 16 structured quarterly instalments commencing from 07th September 2022.

Note B: Nature of Security/guarantees

Secured Non-convertible debentures

1. Exclusive charge by way of mortgage/hypothecation on all the immovable/movable assets at Haldia & Panchaganga.

ECB Loans

1. First pari-passu charge by way of mortgage/hypothecation on all immovable/movable properties of the Company both present & future except assets at Panchaganga and Haldia which are exclusively charged against non convertible debentures.

2. First pari-passu charge for ECB Lender on all the current assets of the company both present and future.

Note C: Corporate guarantee

Wilmar International Limited has extended corporate guarantee towards term loans extended by First Abu Dhabi Bank, Standard Chartered Bank, DBS Bank and working capital loans (refer note 22) extended by Bank of America, Standard Chartered Bank, Ratnakar Bank Limited and DBS Bank India Limited aggregating to INR 20,700 million (31st March 2022: INR 17,200 million).

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

The non convertible debentures are secured by corporate guarantee given by Wilmar International Limited.

Note D: The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Note E: There are no borrowings availed by the Company from banks or financial institutions on the basis of security of current assets.

Note 19: Lease liabilities

	As at 31 st March 2023	As at 31 st March 2022
Current*	9.58	11.74
Non- current*	185.16	178.30
	194.74	190.04

* For further information refer note 47

Note 20: Net employee benefit liabilities (non-current)

	As at 31 st March 2023	As at 31 st March 2022
Provision for employee benefits		
Provision for gratuity (refer note 39)	237.54	168.45
Provision for leave encashment (Refer Note 32 (xv))	98.72	72.71
	336.26	241.16

Note 21: Government grants

	As at 31 st March 2023	As at 31 st March 2022
Current	141.56	106.75
Non- current	303.52	309.78
	445.08	416.53

The government grant has been recognised on the interest subvention receivable by the Company under the Scheme for Extending Financial Assistance to Sugar Mills for Enhancement and Augmentation of Ethanol Production Capacity, approved by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution).

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 22: Borrowings (current)

	As at 31 st March 2023	As at 31 st March 2022
Secured :*		
Current maturity of long-term borrowings (refer note 18)	115.60	625.00
Unsecured :		
Working capital from banks:		
Rupee borrowings**	9,668.31	12,227.88
Foreign Currency borrowings**	1,027.81	-
Current maturity of long-term borrowings (refer note 18)	1,671.99	902.48
	12,483.71	13,755.36

*Refer note B of note 18 for details of security

** Refer note C of note 18 for details of corporate guarantee.

- a. The Company has not been sanctioned working capital limits in excess of INR 50 million in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets.

Note 23: Trade payables

	As at 31 st March 2023	As at 31 st March 2022
Trade payables#*	5,791.29	8,627.92
Trade payables to related parties (refer note 41 (D))	16,784.61	11,079.99
	22,575.90	19,707.91

#Terms and conditions of the above financial liabilities:

Trade payables have credit period in range of 0 to 180 days and certain trade payable carry interest from BL date for payments.

For terms and conditions with related parties, refer note 41 (B).

For explanations on the company liquidity risk management processes, refer note 44.

Trade payable includes liabilities in relation to H&T payables for which SRSL has provided corporate guarantee to RBL Bank Limited of INR 2,000 million. The outstanding payable in relation to H&T payables is INR 1,290.82 million.

*The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

	As at 31 st March 2023	As at 31 st March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	111.45	23.48
- Interest due on above	0.03	0.02
Total	111.48	23.50

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	As at 31 st March 2023	As at 31 st March 2022
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.03	0.02
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.03	0.02

Trade payables Ageing Schedule

	As at 31 st March 2023	As at 31 st March 2022
Outstanding for following periods from due date of payment		
i. MSME :		
Less than 1 year	111.48	23.50
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	111.48	23.50
ii. Others :		
Less than 1 year	21,855.77	19,279.68
1-2 years	438.25	271.23
2-3 years	140.23	85.27
More than 3 years	30.17	48.23
	22,464.42	19,684.41
iii. Disputed dues (MSMEs) :		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
iv. Disputed dues (Others) :		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
Total :		
Less than 1 year	21,967.25	19,303.18
1-2 years	438.25	271.23

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	As at 31 st March 2023	As at 31 st March 2022
2-3 years	140.23	85.27
More than 3 years	30.17	48.23
	22,575.90	19,707.91

There are no "unbilled" trade payables, hence the same are not disclosed in the ageing schedule. Less than 1 year includes "Not due" trade payables of INR 14,070.73 million (31st March 2022: INR 3,729.42 million).

Note 24: Other current financial liabilities

	As at 31 st March 2023	As at 31 st March 2022
Interest accrued but not due on borrowings#	444.84	711.67
Interest accrued on others*	533.21	529.74
Unclaimed dividend	0.02	0.02
Derivative liabilities	271.67	-
Salaries payable	66.40	57.94
Other payables**##	444.99	185.51
	1,761.13	1,484.88

Includes dues to affiliates INR 398.27 million (31st March 2022: INR 142.73 million) (refer note 41 (D)).

*Includes dues to affiliates INR 494.00 million (31st March 2022: INR 483.57 million) (refer note 41 (D)).

**Includes dues to affiliates INR 147.37 million (31st March 2022: INR 57.00 million) (refer note 41 (D)).

Includes advance from affiliates INR Nil (31st March 2022: INR 4.93 million) (refer note 41 (D)).

Note 25: Other current liabilities

	As at 31 st March 2023	As at 31 st March 2022
Advance from customers*	439.37	223.82
Statutory dues payable	157.27	103.17
Other payables**#	413.02	299.16
	1,009.66	626.15

*Includes advance for sale of goods received from holding and subsidiary INR Nil (31st March 2022: INR 55.06 million) (refer note 41 (D)).

**Includes amount payable to subsidiary and ultimate holding company INR 385.61 million (31st March 2022: INR 185.37 million) (refer note 41 (D)).

Note 26: Net employee benefit liabilities (current)

	As at 31 st March 2023	As at 31 st March 2022
Provision for employee benefits		
Provision for gratuity (refer note 39)	61.78	64.31
Provision for leave encashment	24.68	24.69
	86.46	89.00

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 27: Revenue from operations

	Year ended 31 st March 2023	Year ended 31 st March 2022
Revenue from contract with customers		
Sale of manufactured sugar	71,323.51	48,385.85
Sale of ethanol and allied products	11,977.26	9,493.36
Sale of power	1,379.54	1,262.40
Sale of traded sugar, coal and others	238.99	1,060.53
Sale of by-products and others	724.93	490.39
	85,644.23	60,692.53
Other operating income		
Sales of scrap generated from operating activities	137.16	119.04
	85,781.39	60,811.57

Contract balances

Contract liability as at 31st March 2023 is INR 439.37 million (31st March 2022: INR 223.82 million)

Performance obligation

The performance obligation is satisfied upon delivery of the goods to customers.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	Year ended 31 st March 2023	Year ended 31 st March 2022
Revenue as per contracted price	85,792.55	60,832.20
Less: Discount	(67.98)	(60.10)
Less: Trade promotion expenses	(80.34)	(79.57)
Revenue from contract with customers	85,644.23	60,692.53

Note 28: Other income

	Year ended 31 st March 2023	Year ended 31 st March 2022
Other non-operating income :		
Sugar export benefits from third party licences	-	13.84
Excess provision of earlier years written back*	324.81	156.25
Government assistance	115.06	81.47
Dividend on investments	1.39	1.27
RODTEP scrip income	186.51	57.27
Insurance claim received	9.28	220.38
Income from services provided to related parties	55.21	
Less: Expenses pertaining to services provided	(47.45)	4.41
Miscellaneous income	160.86	123.91
Finance income :		
Interest on financial assets carried at amortized cost and others	274.67	173.24
	1,080.34	832.04

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

*In the current year, excess provision written back includes interest provision written back of INR 311.42 million on restructuring of non-convertible debentures (Refer Note 18).

Note 29: Cost of raw materials consumed

	Year ended 31 st March 2023	Year ended 31 st March 2022
a. Raw material consumed		
i. Raw-sugar and white sugar		
Opening stock	3,490.17	5,227.20
Add: Purchases	50,576.97	23,674.75
Less: Closing stock	(4,125.93)	(3,490.17)
	49,941.21	25,411.78
ii. Sugar cane		
Opening stock	0.03	-
Add: Purchases	18,507.06	19,515.46
Less: Closing stock	-	(0.03)
	18,507.09	19,515.43
iii. Molasses, DNA, MGA and Rectified Spirit		
Opening stock	440.53	325.71
Add: Purchases	1,061.58	1,039.66
Less: Closing stock	(597.03)	(440.53)
	905.08	924.84
b. Other materials consumed		
i. Coal and Bagasse		
Opening stock	355.00	283.16
Add: Purchases	634.95	774.11
Less: Closing stock	(324.43)	(355.00)
	665.52	702.27
ii. Others		
Opening stock	2.34	4.50
Add: Purchases	5.66	2.97
Less: Closing stock	(1.38)	(2.34)
	6.62	5.13
	70,025.52	46,559.45

Note 30: Purchase of traded goods

	Year ended 31 st March 2023	Year ended 31 st March 2022
Raw-sugar and White-sugar	207.40	781.31
Coal and others	18.91	34.00
	226.31	815.31

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 31: (Increase)/decrease in inventories of finished goods, work-in-progress and intermediate products and traded goods

	Year ended 31 st March 2023	Year ended 31 st March 2022
Opening stock		
Work-in-progress and Intermediate products	4,369.45	1,556.66
Finished goods	10,805.34	15,519.44
Traded goods	-	106.70
(A)	15,174.79	17,182.80
Closing stock		
Work-in-progress and Intermediate products	2,514.63	4,369.45
Finished goods	14,180.64	10,805.34
(B)	16,695.27	15,174.79
(A-B)	(1,520.48)	2,008.01

Note 32: Employee benefit expenses

	Year ended 31 st March 2023	Year ended 31 st March 2022
Salaries, wages and bonus	1,268.61	1,095.69
Gratuity expenses (refer note 39)	33.79	31.99
Contribution to provident and other funds	74.78	71.98
Staff welfare expenses	94.93	68.78
	1,472.11	1,268.44

Note 33: Depreciation and amortisation expenses

	Year ended 31 st March 2023	Year ended 31 st March 2022
Depreciation of tangible assets (refer note 3)	2,152.50	1,876.33
Amortisation of right of use assets (refer note 3)	133.06	127.40
Amortisation of intangible assets (refer note 4)	5.55	6.08
	2,291.11	2,009.81

Note 34: Finance costs

	Year ended 31 st March 2023	Year ended 31 st March 2022
Interest on:		
Term loans	163.33	180.92
External commercial borrowings	2,362.92	1,703.20
Working capital	948.71	839.55
Debentures	195.13	251.59
Others:		
Interest on others	1,251.97	533.65
Interest expenses on lease liabilities	19.13	16.51
Loan processing charges and other charges	123.57	118.66
Corporate guarantee fees	186.94	-
	5,251.70	3,644.08
Unwinding of interest on borrowing at concessional rate	161.39	111.54
	5,413.09	3,755.62

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 35: Other expenses

	Year ended 31 st March 2023	Year ended 31 st March 2022
Consumption of stores and spares	787.72	738.14
Consumption of chemicals, consumables, oil and lubricants	743.84	518.96
Outsourced service cost	526.30	437.41
Sugar house loading, un-loading and handling charges	258.12	216.48
Consumption of packing materials	1,129.55	969.61
Power and fuel	1,787.21	1,030.93
Rent	6.81	5.30
Repairs and maintenance:		
Plant and machinery	369.71	365.84
Buildings	6.64	4.88
Others	78.67	64.02
Rates and taxes	41.56	31.75
Insurance	78.87	109.16
Printing and stationery	14.20	10.22
Communication expenses	8.21	6.57
Legal and professional fees	340.94	88.06
Directors' sitting fees (refer note 41 (E))	20.65	1.80
Payment to auditors (refer note a below)	17.02	20.17
Property, plant and equipment written off	5.66	35.41
Safety and security expenses	77.84	71.23
Impairment of other assets	164.30	186.52
Impairment of investment	750.00	
Less : Reversal of Impairment on loan given	750.00	2.90
Expected credit loss on trade receivables	3.47	43.63
Donations and contributions	1.06	0.71
CSR Expenditure (refer note b below)	9.66	-
Loss on sale of property, plant and equipment (net)	19.51	3.25
Loss on derivatives contracts	245.34	77.43
Freight and forwarding charges (including demurrage expenses)	2,224.56	1,207.29
Advertisement and sales promotion	208.50	190.14
Brokerage and discounts	35.61	13.39
Miscellaneous expenses	249.72	208.52
	9,461.25	6,659.72

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

a. Payment to Auditors

	Year ended 31 st March 2023	Year ended 31 st March 2022
As auditor		
Audit fee	8.75	9.25
Limited review	3.75	3.75
Certification Services	0.80	0.53
In other capacity:		
Other services	3.00	6.00
Reimbursement of expenses	0.72	0.64
	17.02	20.17

b. Details of CSR expenditure:

	Year ended 31 st March 2023	Year ended 31 st March 2022
a) Gross amount required to be spent during the year	8.74	-
b) Amount approved by the Board to be spent during the year	9.66	-
c) Amount spent during the year		
i) Construction/acquisition of any asset	-	-
ii) On other purposes	9.66	-
d) Details related to spent / unspent obligations:		
i) Ambulance to primary health care	7.37	-
ii) Contribution to Charitable Trust	2.29	-

Since the Company has average net losses for the immediately preceding three financial , the provisions of Section 135 of the Companies Act, 2013 was not applicable for year ended 31st March 2022 .

Note 36: Exceptional items - income

	Year ended 31 st March 2023	Year ended 31 st March 2022
Reversal of impairment allowance of trade receivables*	-	(2,513.93)
	-	(2,513.93)

*Reversal of impairment allowance is on account of recovery of trade receivable balance from related party (refer note 41 (C)).

Note 37: Earnings Per Share [EPS]

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended 31 st March 2023	Year ended 31 st March 2022
Profit attributable to equity holders for calculation of basic and diluted earnings per share	(1,357.30)	1,130.65
Weighted average number of equity shares for basic and diluted EPS**	2,12,84,89,773	2,12,84,89,773
Earnings Per Share		
Basic, computed on the basis of profit from operations attributable to equity holders of the Company	(0.64)	0.53
Diluted, computed on the basis of profit from operations attributable to equity holders of the Company	(0.64)	0.53

** Weighted average number of equity shares takes into account the weighted average effect of changes in share transactions during the year(if any).

Note 38: Commitment and contingencies

a. Capital commitments

Outstanding commitments of the Company are as follows:

Outstanding commitments	As at 31 st March 2023	As at 31 st March 2022
Estimated value of contract pending for execution	625.45	3,197.91

Capital advances of INR 58.67 million (31st March 2022: INR 514.07 million) is paid against the pending contracts (refer note 8).

b. Guarantees

Outstanding guarantees of the Company are as follows:

Outstanding Guarantees	As at 31 st March 2023	As at 31 st March 2022
Bank Guarantee	138.31	160.62
Corporate Guarantee	580.00	130.00
Letter of Credit	-	77.99

c. Contingent liabilities

Liabilities classified and considered contingent due to contested claims and legal disputes

	As at 31 st March 2023	As at 31 st March 2022
Excise and Service Tax Demands (refer note (i) below)	2,250.85	938.96
Sales Tax/VAT Demands (refer note (ii) below)	19.22	20.06
GST (refer note (iii) below)	48.92	48.92
Customs Demands (refer note (iv) below)	2,102.68	1,461.33
Litigations related to erstwhile Brazilian subsidiaries (refer note (v) below)	53.96	53.21
Civil Cases (refer note (vi) below)	237.84	212.10
Total	4,713.47	2,734.58

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for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

- i. Disputes pertaining to denial of cenvat credit on sugar cess, denial of cenvat credit on certain items used for fabrication of machinery, or for laying of machinery foundation or making of capital goods, 6% demand under Rule 6(3) of the CENVAT Credit Rules, cenvat credit disallowed due to invoices being in the name of the head office and credit availed at plants and other matters.
- ii. Disputes related to disallowance of input tax credit due to mismatch in forms filed and retention of input tax credit by assuming dealers holding license to generate, distribute or transmit electricity and other matters.
- iii. Disputes related to disallowance of common credit as per rule 42 of CGST Rules, 2017.

During the previous year, the Company received a show cause notice (SCN) from GST Department on completion of departmental audit for financial year 2017-18 for non-levy of GST on supply of Extra Neutral Alcohol to liquor manufacturing companies. The Company has obtained a stay order from Karnataka High Court against said SCN, the matter is pending before court as department has not yet filed any objections against said writ petitions in spite of specific directions from the court.

Litigation pertaining to short sanction of GST refund claim have not been considered as contingent liability, since the Company would get credit in electronic ledger for the amount of refund that is rejected and thus, there would be no loss of asset for the Company on the outcome of this litigation, i.e., the Company would either get the refund or the Company would retain the credit in the electronic ledger.

- iv. Disputes related to penalty levied for non-payment of Special Additional Duty (SAD) at the time of import of goods (which was subsequently paid by the Company along with interest) and duty levied on the imported goods on the context of wrong classification / availing incorrect exemption.
- v. These litigations related to erstwhile Brazilian subsidiaries pertains to labour litigations of these erstwhile subsidiaries in which the Company or the Wilmar Group has been made a party, on account of economic group concept considered in the Lower Court of Brazil. The Company has paid deposits of INR 154.30 million as at 31st March 2023 (31st March 2022: INR 104.26 million) for contesting the order in Higher Courts in Brazil and this deposit paid has been grouped under "Amount paid under protests to government authorities" in the balance sheet. This balance is fully impaired in the books of accounts as at 31st March 2023.
- vi. Other matters mainly consist of litigations related to claims filed against customers / vendors for recovery of receivable / advance balances and other legal suites.
- vii. During the year ended 31st March 2023, Cane Commissioner of Karnataka issued orders directing all sugar mills in the state of Karnataka to make payments to sugarcane farmers at additional rates over and above the Fair Remunerative Price (FRP) announced by the Central Government as follows:
 - a. INR 100/MT for sugarcane supplied to mills without distillery
 - b. INR 150/MT for sugarcane supplied to mills with distillery

The Company along with others has filed a writ petition in Karnataka High Court against the order of the Cane Commissioner. Based on legal opinion obtained by the Company, management believes that the Company has merits and accordingly, no impact has been considered in the standalone financial results in respect of this matter.

Note 39: Defined Benefit plans

The Company has a defined benefit gratuity plan. The companies defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Salary increases and gratuity increases are based on expected future inflation rates.

Risk to the plan

Following risks are associated with the plan:

A. Actuarial Risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption, then the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption, then the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company, there can be strain on the cash flows.

D. Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Actuarial Assumptions

Key actuarial assumptions are given below:

Discount Rate:

The rate used to discount long term employee benefit obligation (both funded and unfunded) will be determined by reference to market yield at the balance sheet date on high quality government bonds.

Salary Growth Rate:

This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases should take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Rate of Return on Plan Assets:

This assumption is required only in case of funded plans. Interest income on plan assets is calculated using the rate used to discount the defined benefit obligation.

Mortality:

This assumption is based on the standard published mortality table without any adjustment.

Sr. No.	Particulars	Gratuity plan	
		31 st March 2023	31 st March 2022
1	Change in defined benefit obligation		
	Opening defined benefit obligation	318.50	309.35
	Current service cost	20.76	20.73
	Interest cost	19.26	17.51
	Actuarial gain due to change in financial assumptions	48.95	(7.71)
	Actuarial loss/(gain) due to change in demographic assumption	1.56	-
	Actuarial loss/(gain) due to experience adjustments	2.89	10.58
	Benefits paid	(33.81)	(31.96)
	Closing defined benefit obligation	378.11	318.50
2	Change in plan assets		
	Opening value of plan assets	85.74	91.65
	Interest income	6.22	6.25
	Return on plan assets excluding amounts included interest income	(0.36)	(2.08)
	Contributions by employer	0.15	0.39
	Benefits paid	(12.97)	(10.47)
	Closing value of plan assets	78.78	85.74
3	Fund status of plan (assets)/liability		
	Present value unfunded obligations	174.85	171.30
	Present value funded obligations	203.26	147.20

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Sr. No.	Particulars	Gratuity plan	
		31 st March 2023	31 st March 2022
	Fair value of plan assets	(78.79)	(85.74)
	Net liability (refer note 20 and 26)	299.32	232.76
4	Other comprehensive loss for the current period		
	Due to change in financial assumptions	48.95	(7.71)
	Due to change in demographic assumption	1.56	-
	Due to experience adjustments	2.89	10.58
	Return on plan assets excluding amounts included in interest income	0.36	2.08
	Expense recognized in other comprehensive income	53.76	4.95
5	Expenses for the current period		
	Current service cost	20.75	20.73
	Interest cost (net of interest income on planned assets)	13.04	11.26
	Amount recognized in expenses (refer note 32)	33.79	31.99
6	Defined benefit liability		
	Net opening provision in books of accounts	232.76	217.70
	Employee benefit expense	33.79	31.99
	Amounts recognized in other comprehensive income	53.76	4.95
	Contributions to plan assets	(0.15)	(0.39)
	Benefits paid by the Company	(20.84)	(21.49)
	Closing provision in books of accounts	299.32	232.76
7	Composition of the plan assets		
	Policy of insurance	100%	100%
	Total	100%	100%
8	Principal actuarial assumption		
	Discount rate for employees (other than leased unit)	7.50%	7.26%
	Discount rate for employees of leased unit	7.30% - 7.31%	6.41% - 6.57%
	Salary growth rate	8%	5%
	Withdrawal rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
9	Maturity Profile of Defined Benefit Obligation		
	Expected Future Cash flows		
	Year 1	83.32	79.20
	Year 2	34.44	29.57
	Year 3	28.97	30.01
	Year 4	37.71	25.24
	Year 5	36.83	32.04
	Year 6 to 10	145.54	116.17
	Above 10 Years	319.74	227.96

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Sr. No.	Particulars	Gratuity plan	
		31 st March 2023	31 st March 2022
	Average Expected Future Working Life (Years)	6.77	7.46
10	Sensitivity to key assumptions*		
	Discount rate sensitivity		
	Increase by 0.5%	366.78	309.68
	(% change)	-3.09%	-2.85%
	Decrease by 0.5%	390.17	327.90
	(% change)	3.19%	2.95%
	Salary growth rate sensitivity		
	Increase by 0.5%	388.97	327.07
	(% change)	2.79%	2.62%
	Decrease by 0.5%	367.71	310.37
	(% change)	-2.75%	-2.55%
11	Expected contributions to the defined benefit plan in next year	21.55	14.88

*A description of methods used for sensitivity analysis and its limitations:

Sensitivity analysis performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Note 40: Disclosure under clause 32 of the listing agreement

Loan given to subsidiary companies

Name of the company	Amount Outstanding as on		Maximum amount outstanding any time during the year ended	
	31 st March 2023	31 st March 2022	31 st March 2023	31 st March 2022
Renuka Commodities DMCC	11,895.60	11,895.60	11,895.60	14,530.71
Shree Renuka Agri Ventures Limited*	218.42	222.92	222.92	222.92
KBK Chem-Engineering Private Limited*	598.05	1,348.06	1,348.06	1,348.06
Shree Renuka East Africa Agriventures PLC*	0.04	0.04	0.04	0.04
Monica Trading Private Limited*	145.27	137.27	145.27	137.27
Shree Renuka Tunaport Private Limited*	8.41	8.41	8.41	8.41
Gokak Sugars Limited*	1,508.77	1,645.94	2,552.94	1,896.10

*Loans were given to subsidiaries to meet its working capital requirements.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 41: Related party transactions

A) Related parties

(a) Ultimate Holding Company :

- 1 Wilmar International Limited

(b) Holding Company :

- 1 Wilmar Sugar Holdings Pte. Ltd.

(c) Subsidiary Companies :

- 1 Gokak Sugars Limited
- 2 KBK Chem-Engineering Private Limited
- 3 Monica Trading Private Limited
- 4 Shree Renuka Tunaport Private Limited
- 5 Shree Renuka Agri Ventures Limited
- 6 Renuka Commodities DMCC
- 7 Shree Renuka East Africa Agriventures PLC

(d) Affiliate Companies :

- 1 Adani Wilmar Limited
- 2 Wilmar Sugar Pte. Ltd.
- 3 Wilmar Sugar India Private Limited

(e) Associate Companies :

- 1 Shree Renuka Global Ventures Limited
- 2 Renuka vale do Ivai S/A
- 3 Renuka do Brasil S/A
- 4 Lanka Sugar Refinery Company (Private) Limited

(f) The Trustees Shree Renuka Sugars Limited

(g) Key managerial personnel

- 1 Mr. Atul Chaturvedi - Executive Chairman
- 2 Mr. Vijendra Singh - Executive Director & Dy. CEO
- 3 Mr. Ravi Gupta - Executive Director (w.e.f. 28th October 2021)
- 4 Mr. Sunil Ranka - Chief Financial Officer
- 5 Mr. Deepak Manerikar - Company Secretary

(h) Additional related parties as per the Companies Act, 2013 :

- 1 Mr. Kuok Khoon Hong - Non-Executive Director
- 2 Mr. Jean-Luc Bohbot - Non-Executive Director
- 3 Mr. Charles Loo Chau Leong - Non-Executive Director
- 4 Mr. Madhu Rao - Independent Director
- 5 Dr. B. V. Mehta - Independent Director
- 6 Ms. Priyanka Mallick - Independent Director
- 7 Mr. Arun Chandra Verma - Independent Director (Wef 1st April 2022)
- 8 Mr. Seetharaman Sridharan - Independent Director (Wef 9th August 2022)
- 9 Mr. Siraj Hussain - Independent Director (Wef 9th August 2022)
- 10 Mr. TK Kanan (Alternate Director to Mr. Hong) (Wef 19th May 2022)
- 11 Mr. Dorab Mistry - Independent Director (Upto 21st August 2022)
- 12 Mr. Bhupatrai Premji - Independent Director (Upto 21st August 2022)
- 13 Mr. Surender Kumar Tuteja - Independent Director (Upto 31st March 2022)

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

B) Transactions with subsidiaries and affiliate companies

Sr No	Particulars	Year ended	Sales*	MAEQ*	Purchases of goods and services #	Rental income/ other income	Interest income on advances	Interest expense on advances and others	Interest waiver	Loans and advance given	Loans and advance repaid	Advance against purchases	Advance received for supply of goods / services	Investment	Advance given for supply of goods	Interest on ECB loan and commitment fees	
(a) Ultimate Holding Company																	
i	Wilmar International Limited	31 st March 2023	-	-	33.26	55.20	-	186.94	-	-	-	-	-	-	-	-	-
		31 st March 2022	-	-	14.27	51.37	-	-	-	-	-	-	-	-	-	-	-
(b) Holding Company																	
i	Wilmar Sugar Holdings Pte. Ltd.	31 st March 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,531.58
		31 st March 2022	-	-	-	-	10.40	-	-	-	-	-	-	-	-	-	779.00
(c) Subsidiary Companies																	
i	Renuka Commodities DMCC	31 st March 2023	1,237.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		31 st March 2022	3,144.75	-	-	-	-	-	-	-	-	-	2,155.58	-	-	-	-
ii	Shree Renuka Agri Ventures Limited	31 st March 2023	-	-	-	-	-	-	-	-	4.50	-	-	-	-	-	-
		31 st March 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii	KBK Chem-Engineering Private Limited	31 st March 2023	-	-	2,275.21	-	65.70	-	-	-	-	66.79	-	750.00	-	-	-
		31 st March 2022	-	-	1,534.31	-	-	-	-	-	-	1,033.24	-	-	-	-	-
iv	Gokak Sugars Limited	31 st March 2023	70.62	-	593.48	-	182.70	-	-	1,107.00	1,244.16	392.80	-	-	-	-	-
		31 st March 2022	56.61	13.84	469.08	-	162.19	-	-	163.00	300.16	210.00	-	-	-	-	-
v	Monica Trading Private Limited	31 st March 2023	-	-	-	-	14.28	-	-	8.00	-	-	-	-	-	-	-
		31 st March 2022	-	-	-	-	12.28	-	-	1.00	-	-	-	-	-	-	-
vi	Shree Renuka Tunaport Private Limited	31 st March 2023	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-
		31 st March 2022	-	-	-	-	0.07	-	-	-	-	-	-	-	-	-	-
(d) Affiliate Companies																	
i	Adam Wilmar Limited	31 st March 2023	723.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		31 st March 2022	648.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii	Wilmar Sugar Pte. Ltd.	31 st March 2023	45,838.70	-	19,865.12	-	-	704.01	111.14	-	-	-	6,487.38	-	-	-	-
		31 st March 2022	18,581.51	-	4,906.04	-	-	429.15	-	-	-	-	4,248.46	-	-	-	-
iii	Wilmar Sugar India Private Limited	31 st March 2023	-	-	29,986.98	87.15	-	321.03	-	-	-	-	-	-	4,247.30	-	-
		31 st March 2022	-	-	17,355.87	64.20	-	61.49	-	-	-	-	-	-	2,313.40	-	-

* Amounts are excluding GST.

includes services received from related parties which are disclosed under other expenses.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Corporate guarantees

- The Company has obtained corporate guarantees from Wilmar International Limited INR 20,700 million (31st March 2022: INR 17,200 million) towards term loan and working capital limits extended by banks.
- The Company has also provided guarantees on behalf of subsidiaries amounting to INR 580 million (31st March 2022: INR 130 million) for loan availed by the subsidiaries. Details of which are as follows:

	As at 31 st March 2023	As at 31 st March 2022
KBK Chem-Engineering Private Limited	580.00	130.00

- Details of amount receivable from related parties as at 31st March 2023 and 31st March 2022 are as follows:

Particulars	Amount receivable from related party (gross of impairment allowance, if any)		Impairment allowance		Net carrying amount	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Non-current loans (refer note 6)						
Subsidiary Companies :						
KBK Chem-Engineering Private Limited	598.05	1,348.06	598.05	1,348.06	-	-
Gokak Sugars Limited	1,371.61	1,508.78	-	-	1,371.61	1,508.78
Monica Trading Private Limited	145.27	137.27	1.00	1.00	144.27	136.27
Shree Renuka Tunaport Private Limited	8.41	8.41	8.41	8.41	-	-
Shree Renuka East Africa Agriventures PLC	0.04	0.04	0.04	0.04	-	-
	2,123.38	3,002.56	607.50	1,357.51	1,515.88	1,645.05
Associate Companies:						
Lanka Sugar Refinery Company (Private) Limited	1.19	1.19	1.19	1.19	-	-
Renuka vale do Ivaí S/A	444.95	444.95	444.95	444.95	-	-
Renuka do Brasil S/A	258.70	258.70	258.70	258.70	-	-
	704.84	704.84	704.84	704.84	-	-

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Particulars	Amount receivable from related party (gross of impairment allowance, if any)		Impairment allowance		Net carrying amount	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Other non-current assets (refer note 8)						
Subsidiary Company:						
KBK Chem-Engineering Private Limited	10.14	325.71	-	-	10.14	325.71
	10.14	325.71	-	-	10.14	325.71
Trade receivables (refer note 11)						
Subsidiary Company:						
Renuka Commodities DMCC	713.91	325.16	-	-	713.91	325.16
	713.91	325.16	-	-	713.91	325.16
Affiliate Companies :						
Wilmar Sugar Pte. Ltd.	145.28	1,000.44	-	-	145.28	1,000.44
Adani Wilmar Limited	28.35	31.89	-	-	28.35	31.89
	173.63	1,032.33	-	-	173.63	1,032.33
Current loans (refer note 14)						
Subsidiary Companies :						
Renuka Commodities DMCC	11,895.60	11,895.60	11,895.60	11,895.60	-	-
Gokak Sugars Limited	137.16	137.16	-	-	137.16	137.16
Shree Renuka Agri Ventures Limited	218.42	222.92	218.42	222.92	-	-
	12,251.18	12,255.68	12,114.02	12,118.52	137.16	137.16
Other current financial assets (refer note 15)						
Interest receivable						
Subsidiary Companies :						
Monica Trading Private Limited#	43.03	29.17	43.03	29.17	-	-
Shree Renuka Tunaport Private Limited#	0.11	0.06	0.11	0.06	-	-
	43.14	29.23	43.14	29.23	-	-

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for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Particulars	Amount receivable from related party (gross of impairment allowance, if any)		Impairment allowance		Net carrying amount	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Other receivables						
Ultimate Holding Company :						
Wilmar International Limited	17.91	10.60	-	-	17.91	10.60
Subsidiary Company:						
Gokak Sugars Limited	14.86	62.59	-	-	14.86	62.59
Affiliate Companies:						
Wilmar Sugar Pte. Ltd.	43.68	-	-	-	43.68	-
Wilmar Sugar India Private Limited	5.54	43.98	-	-	5.54	43.98
	81.99	117.17	-	-	81.99	117.17
Other current assets (refer note 16)						
Subsidiary Company:						
KBK Chem-Engineering Private Limited	0.19	-	-	-	0.19	-
Gokak Sugars Limited	6.41	-	-	-	6.41	-
	6.60	-	-	-	6.60	-
Associate Company :						
Renuka vale do Ivai S/A	91.24	91.24	91.24	91.24	-	-
	91.24	91.24	91.24	91.24	-	-
Affiliate Companies :						
Wilmar Sugar India Private Limited	354.57	71.91	-	-	354.57	71.91
	354.57	71.91	-	-	354.57	71.91

Impairment allowance of INR 13.91 million (31st March 2022: INR 12.08 million) has been recognised during the year related to Interest receivable and same is disclosed under "Impairment for advances to vendors and others" note 35.

Impairment of amounts owed by related parties

As at 31st March 2023, the company has accumulated impairment of INR 13,560.74 million (31st March 2022: INR 14,301.34 million) against total gross amount owed by related parties of INR 16,554.62 million (31st March 2022: INR 17,955.83 million).

This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

D) Details of amounts payable to related parties as at 31st March 2022 and 31st March 2023 are as follows:

	As at 31 st March 2023	As at 31 st March 2022
Borrowings (non-current) (refer note 18)		
Holding Company :		
Wilmar Sugar Holdings Pte. Ltd.	24,445.92	22,390.10
	24,445.92	22,390.10
Trade payables (refer note 23)		
Subsidiary Companies :		
KBK Chem-Engineering Private Limited	0.21	0.33
Gokak Sugars Limited	14.94	1.49
Affiliate Companies :		
Wilmar Sugar Pte. Ltd.	13,983.72	8,212.68
Wilmar Sugar India Private Limited	2,785.74	2,865.49
	16,784.61	11,079.99
Other current financial liabilities (refer note 24)		
Other payables		
Affiliate Company :		
Wilmar Sugar Pte. Ltd.	147.37	61.93
	147.37	61.93
Interest accrued on others		
Holding Company :		
Wilmar Sugar Holdings Pte. Ltd.	-	42.51
Affiliate Company :		
Wilmar Sugar Pte. Ltd.	442.85	441.06
Wilmar Sugar India Private Limited	51.15	-
	494.00	483.57
Interest accrued but not due on borrowings		
Holding Company :		
Wilmar Sugar Holdings Pte. Ltd.	398.27	142.73
	398.27	142.73
Other current liabilities (refer note 25)		
Advance from customers		
Subsidiary Company :		
Renuka Commodities DMCC	-	55.06
	-	55.06
Other payables		
Ultimate Holding Company :		
Wilmar International Limited	170.55	12.74
Subsidiary Company :		
KBK Chem-Engineering Private Limited	215.06	172.63
	385.61	185.37

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

E) Transactions with key managerial personnel

Compensation of key managerial personnel*

	As at 31 st March 2023	As at 31 st March 2022
Short-term employee benefits	160.25	99.59
Contribution to provident fund	3.01	1.70
Sitting fees	20.65	1.80
Total	183.91	103.09

*Gratuity for Key managerial personnel is included in overall provision.

Note 42: Hedging activities and derivatives

The Company has obtained External Commercial Borrowings (ECB) during the financial year ended 31st March 2021 from its Holding Company, Wilmar Sugar Holdings Pte. Ltd. amounting to USD 300 million. The Company is also exposed to certain foreign currency risks relating to its on-going business operations. The primary risks managed using derivative instruments are foreign currency risk.

The risk management strategy and how it is applied to manage risk are explained in note 44.

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 4 months .

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of outstanding ECB loan which has been denominated in USD.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange forward contracts match the terms of the hedged item. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange are identical to the hedged risk components. To test the hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The hedge ineffectiveness can arise from:

- a. The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

The Company is holding the following foreign exchange forward contracts :

	Maturities		
	1 to 3 months	3 to 6 months	Total
As at 31st March 2022			
Foreign exchange forward contracts			
Notional amount (million INR)	-	22,945.13	22,945.13
Average forward rate (INR/USD)	-	76.48	
As at 31st March 2023			
Foreign exchange forward contracts			
Notional amount (million INR)	8,355.00	16,770.50	25,125.50
Average forward rate (INR/USD)	83.55	83.75	

The impact of the hedging instruments on the balance sheet is as follows :

The impact of the hedging instruments on the balance sheet is as follows :

	Maturities			
	Notional amount	Carrying amount	Line item in the balance sheet	Change in fair value used for measuring ineffectiveness for the period
As at 31st March 2022				
Foreign exchange forward contracts	22,945.13	(319.62)	Other current financial assets	735.39
As at 31st March 2023				
Foreign exchange forward contracts	25,125.50	1,074.24	Other current financial liabilities	1,957.57

The impact of hedged items on the balance sheet is as follows :

	Change in fair value used for measuring ineffectiveness	Effective portion of cash flow hedges	Cost of hedging reserve
As at 31st March 2022			
Foreign exchange forward contracts	735.39	735.39	(1,055.01)
As at 31st March 2023			
Foreign exchange forward contracts	1,957.57	1,957.57	(883.33)

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

The effect of the cash flow hedge in the statement of profit and loss is as follows :

	Total hedging gain recognised in OCI"	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss	Line item in the statement of profit and loss
Year ended 31st March 2022					
Net gain on cash flow hedges	735.39	-	-	(735.39)	Foreign exchange loss (net)
Net change in costs of hedging	-	-	(1,055.01)	924.20	Finance cost
Year ended 31st March 2023					
Net gain on cash flow hedges	1,957.57	-	-	(1,957.57)	Foreign exchange loss (net)
Net change in costs of hedging	-	-	(883.33)	831.24	Finance cost

Note 43: Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in financial statements.

	Carrying Value		Fair Value	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Financial assets				
Fair value through profit or loss				
Derivative instruments at fair value through profit or loss	-	204.91	-	204.91
Fair value through other comprehensive income				
Investment in equity shares of National Commodity Derivative Exchange Limited (NCDEX)	420.82	429.16	420.82	429.16
Other financial assets at amortised cost				
Loans	1,653.05	1,782.21	1,653.05	1,782.21
Trade receivables	2,053.87	3,023.69	2,053.87	3,023.69
Cash and cash equivalents	701.52	113.86	701.52	113.86
Other Bank balances	123.17	175.14	123.17	175.14
Other financial assets	613.71	315.62	613.71	315.62
Total financial assets	5,566.14	6,044.59	5,566.14	6,044.59
Financial liabilities				
Fair value through profit or loss				
Derivative liabilities	271.67	-	271.67	-

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Carrying Value		Fair Value	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
At amortised cost				
Borrowings				
Redeemable non-convertible debentures	2,008.71	2,114.96	2,008.71	2,114.96
Other borrowings at floating rate of interest	37,327.76	34,617.98	37,327.76	34,617.98
Other borrowings at fixed rate of interest	3,726.15	4,578.56	3,726.15	4,578.56
Trade payables	22,575.90	19,707.91	22,575.90	19,707.91
Other financial liabilities	1,684.20	1,674.92	1,684.20	1,674.92
Total financial liabilities	67,594.39	62,694.33	67,594.39	62,694.33

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts. The fair value are classified under Level 3 Fair value hierarchy.

The following methods and assumptions were used to estimate the fair values

Fair value of the unquoted equity shares of National Commodity Derivative Exchange Limited(NCDEX) at FVTOCI has been estimated on the basis of price to book value multiple of comparable quoted investments, adjusted for significant certain unobservable inputs like business risk discount and liquidity discount.

The fair values of the Company's interest-bearing borrowings and loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2023 was assessed to be insignificant.

The Company enters into derivative financial instruments with various counterparties, principally financial institutions. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and foreign exchange spot and forward rates. There was no change observed in counterparty credit risk to have any material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March 2023 and 31st March 2022 are as shown below :

Description of significant unobservable inputs to valuation

	Valuation technique	Sensitivity of the input to fair value
Unquoted equity shares of National Commodity Derivative Exchange Limited(NCDEX)	Market realisable value estimated based on price to book value multiple of comparable quoted investments, adjusted for certain significant unobservable inputs like business risk discount and liquidity discount.	31 st March 2023: 5% (31 st March 2022: 5%) increase/(decrease) in the market price per share would result in increase/(decrease) in fair value by INR 21.04 million (31 st March 2022: INR 21.46 million)

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI

	Amount
As at 01st April 2021	599.98
Measurement recognised in OCI	(170.82)
Purchases	-
Sales	-
As at 31st March 2022	429.16
Measurement recognised in OCI	(8.34)
Purchases	-
Sales	-
As at 31st March 2023	420.82

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March 2023:

	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value - recurring fair value measurement:				
Investment in equity shares of National Commodity Derivative Exchange Limited (NCDEX)	420.82	-	-	420.82
Liabilities measured at fair value - recurring fair value measurement:				
Derivative liabilities	271.67	-	271.67	-
Liabilities measured at amortised cost for which fair values are disclosed:				
Borrowings				
Redeemable non-convertible debentures	2,008.71	-	-	2,008.71

There are no changes in fair value hierarchy level during the year ended 31st March 2023.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March 2022:

	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value - recurring fair value measurement:				
Derivative instruments at fair value through profit or loss	204.91	-	204.91	-
Investment in equity shares of National Commodity Derivative Exchange Limited (NCDEX)	429.16	-	-	429.16
Revalued property, plant and equipment (including right to use assets) (refer note 3)	38,119.53	-	-	38,119.53
Liabilities measured at amortised cost for which fair values are disclosed:				
Borrowings				
Redeemable non-convertible debentures	2,114.96	-	-	2,114.96

There have been transfers of Investment in equity shares in NCDEX from Level 2 to level 3 as offer received by the Company to sell its shareholding has been withdrawn and calculation of fair value is based on price to book value multiple of comparable quoted investments, adjusted for certain significant unobservable inputs like business risk discount and liquidity risk discount used in calculation of fair value.

Note 44: Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The board of directors reviews and agrees for managing each of these risks.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as equity price risk and commodity price risk.

Foreign exchange exposure and risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the ECB loan of USD 300 million availed from its holding company Wilmar Sugar Holdings Pte. Ltd. and other foreign currency receivables and payables.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

The Company manages its foreign currency risk by hedging for period of 6 months. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable against operating activities.

At 31st March 2023, the Company has fully hedged the foreign currency exposure related to principal portion of External Commercial Borrowing (ECB) loan for 4 to 6 months using foreign currency forward contracts and expects to roll-forward these hedges in the future periods to hedge the foreign currency risks. The Company has also obtained foreign currency forward contracts to cover the foreign currency risks related to receivable in foreign currency and these contracts have a tenure of 3 months.

Foreign currency sensitivity:

As at 31st March 2023, net unhedged exposure of the Company to foreign currency asset and liabilities is as follows:

Currency	Assets as at		Liabilities as at	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
United States Dollar (USD)	1,088.26	1,453.90	(16,705.81)	(8,919.26)
European Union (EURO)	-	-	(0.30)	-
United Arab Emirates Dirham (AED)	0.03	0.03	-	-
British pound sterling (GBP)	-	-	-	(0.14)

5% increase and decrease in the foreign exchange rates will have the following impact on profit before tax:

Currency	Sensitivity Analysis Assets		Sensitivity Analysis Liabilities	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Increase by 5%				
United States Dollar (USD)	54.41	72.70	(835.29)	(445.96)
European Union (EURO)	-	-	(0.02)	-
United Arab Emirates Dirham (AED)*	-	0.00	-	-
British pound sterling (GBP)	-	-	-	(0.01)
Decrease by 5%				
United States Dollar (USD)	(54.41)	(72.70)	835.29	445.96
European Union (EURO)	-	-	0.02	-
United Arab Emirates Dirham (AED)*	-	(0.00)	-	-
British pound sterling (GBP)	-	-	-	0.01

* The amount is less than INR 0.01 million.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

	As at 31 st March 2023	Composition	As at 31 st March 2022	Composition
Borrowing - Fixed interest rate	5,734.86	13.32%	6,693.52	16.20%
Borrowing - Floating interest rate	37,327.76	86.68%	34,617.98	83.80%
	43,062.62		41,311.50	

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings with variable interest rates. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on loss before tax
31st March 2023		
INR	50	186.64
31st March 2022		
INR	50	173.09

Commodity price risk

Commodity price in sugar industry is impacted by multiple factors such as international sugar price, government regulations, quantity of sugar production in the relevant period, etc. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products. The following table shows effect of changes in various commodities on the profit of the Company.

Commodity price sensitivity

	Sugar sale	Cane purchase	Raw-sugar purchase
Increase in price by 5%			
31 st March 2023	3,566.18	(925.35)	(2,497.06)
31 st March 2022	2,419.29	(975.77)	(1,270.59)
Decrease in price by 5%			
31 st March 2023	(3,566.18)	925.35	2,497.06
31 st March 2022	(2,419.29)	975.77	1,270.59

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. The Company conduct thorough credit assessments before granting credit terms and limits to customers, who are then monitored closely for adherence. Company's export sales are executed against advance or receipt against submission of documents. The Company's domestic sugar sales are primarily made to corporate customers, who are provided credit terms after thorough credit assessments and thereby, credit default risk is not significant for these customers. Other domestic sugar sales are primarily made on receipt of advance amount before goods are dispatched. Further, ethanol is sold to public sector undertakings and power is supplied to corporations run by state government, thereby the credit default risk is significantly mitigated.

Trade receivables

Trade receivables are non-interest bearing and are generally on credit terms of 7 to 60 days. An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of expected credit loss, actual credit loss and party-wise review of credit risk. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing analysis of the receivables (net of expected credit loss) has been considered from the date the invoice falls due.

The ageing is as follows:

	As at 31 st March 2023	As at 31 st March 2022
Up to 6 months	2,020.79	2,915.95
More than 6 months	33.08	107.74
	2,053.87	3,023.69

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, financial support from parents etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year	1 to 5 years	More than 5 years	Total
As at 31st March 2023				
Borrowings	12,579.21	29,808.68	1,250.00	43,637.89
Trade payables	22,575.90	-	-	22,575.90
Lease liabilities	13.55	34.04	921.76	969.35
Other financial liabilities	1,761.13	-	-	1,761.13
Total	36,929.79	29,842.72	2,171.76	68,944.27

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Less than 1 year	1 to 5 years	More than 5 years	Total
As at 31st March 2022				
Borrowings	13,902.77	28,096.60	-	41,999.37
Trade payables	19,707.91	-	-	19,707.91
Lease liabilities	16.63	35.46	932.50	984.59
Other financial liabilities	1,484.88	-	-	1,484.88
Total	35,112.19	28,132.06	932.50	64,176.75

Note 45: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of Company's management is to maximise shareholder's value.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial and non-financial covenants (if any) and maximise shareholder's wealth. There have been no significant breaches in the financial and non financial covenants of any interest-bearing loans and borrowing in the current period.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition.

The calculation of capital for the purpose of capital management is as follows:

	As at 31 st March 2023	As at 31 st March 2022
Equity share capital	2,128.49	2,128.49
Other equity (including securities premium)	1,998.00	3,341.35
	4,126.49	5,469.84

Debt equity ratio

The debt-to-equity (D/E) ratio is calculated by dividing a Company's total liabilities by its shareholder equity. The ratio is used to evaluate a Company's financial leverage.

	As at 31 st March 2023	As at 31 st March 2022
Equity	2,128.49	2,128.49
Other equity	1,998.00	3,341.35
	4,126.49	5,469.84
Total borrowings	43,062.62	41,311.50
Debt equity ratio	10.44	7.55

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2023 and 31st March 2022.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 46: Details of loan given, investments made and guarantee given covered U/S 186 (4) of the Companies Act, 2013

- a) Loans given to subsidiaries for business purpose are disclosed in note 41 (B)
- b) Investments made are disclosed in note 5
- c) Corporate guarantees given by the Company are disclosed in refer note 38 (b)

Note 47: Leases

Company as a lessee

The Company has lease contracts for various land, building and plant. Leases of land have a lease term of 30 years and 90 years, building generally 3 years and 5 years and plant 17 years and 30 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases of building and leases of office with lease terms of 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Land	Buildings	Plant	Total
As at 01st April 2021	670.08	22.24	1,183.44	1,875.76
ROU assets recognized to the extent of ROU liabilities	-	36.67	-	36.67
Prepayments capitalised as ROU	-	-	8.75	8.75
ROU assets derecognized	-	(0.43)	-	(0.43)
Revaluation	(58.71)	-	-	(58.71)
Total	611.37	58.48	1,192.19	1,862.04
Depreciation expense	(8.79)	(15.99)	(102.62)	(127.40)
As at 31st March 2022	602.58	42.49	1,089.57	1,734.64
ROU assets recognized to the extent of ROU liabilities	-	5.90	-	5.90
Prepayments capitalised as ROU	-	-	3.99	3.99
ROU assets derecognized	-	(1.76)	-	(1.76)
Total	602.58	46.63	1,093.56	1,742.77
Depreciation expenses	(8.03)	(22.42)	(102.61)	(133.06)
As at 31st March 2023	594.55	24.21	990.95	1,609.71

During the previous year ended 31st March 2022, the Company had appointed a registered independent valuer who had relevant valuation experience for valuation of property, plant and equipment in India is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

Set out below are the carrying amounts of lease liabilities (included under the head non-current and current financial liabilities) and the movements during the period:

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Amount
As at 01st April 2021	153.84
Additions	36.67
Deletion	(0.43)
Accretion of interest	16.51
Payments	(16.55)
As at 31st March 2022	190.04
Additions	5.90
Deletion	(1.76)
Accretion of interest	19.13
Payments	(18.57)
As at 31st March 2023	194.74

The following are the amounts recognised in profit or loss:

	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation expense of right-of-use assets	133.06	127.40
Interest expense on lease liabilities	19.13	16.51
Expense relating to short-term leases and low value leases	6.81	5.30
Total amount recognised in profit or loss	159.00	149.21

The Company had total cash outflows for leases of INR 24.89 million (31st March 2022: INR 21.85 million) during the financial year ended 31st March 2023. The Company do not have any future cash outflows relating to leases that have not yet commenced.

The Company has certain lease contracts that are non-cancellable for fixed period and considered will be terminated after completion of non-cancellable period.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 48: Ratio Analysis and its elements

Ratio	Numerator	Denominator	31 st March 2023	31 st March 2022	% change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.75	0.73	2.80%	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	10.44	7.55	-38.17%	Change in debt-equity ratio is attributable to decrease in shareholder's equity which is driven by net loss during the current year and increase in net borrowings of the Company.
Debt Service Coverage Ratio	Earnings before interest, Depreciation and Tax (EBITDA)	Interest Expense on long term and short term borrowings for the period+ Schedule principal repayment of long term borrowings during the period	1.47	1.59	-7.83%	
Return on Equity Ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	(0.28)	0.30	-195.40%	Change in return on equity ratio is attributable to decrease in shareholder's equity, which is driven by net loss during the current year.
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	3.25	2.27	43.04%	The ratio has increased due to higher inventory in stock as at 31 st March 2023.
Trade Receivables Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	33.79	20.59	64.12%	The trade receivable turnover ratio has improved on account of timely collection of receivables during the year.
Trade Payables Turnover Ratio	Net credit purchases of goods & services = Gross credit purchases - purchase return	Average Trade Payables	3.79	2.26	67.16%	The trade payable turnover ratio has increased on account of higher credit period received by the Company on imported raw sugar purchased.
Net Capital Turnover Ratio	Net sales = Total sales - sales return + income from incentive	Working capital = Current assets - Current liabilities	(9.03)	(6.34)	42.41%	Change in net capital turnover ratio is driven by increase in turnover during the year coupled with reduction in working capital gap between current assets and current liabilities. The reduction in working capital gap was on account of improved realization of receivables during the current year.
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return + income from incentive	(0.02)	0.02	-185.10%	Net profit ratio has decreased on account of decreased profit after tax during the current year.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	0.09	0.10	-16.69%	
Return on Investment on unquoted equity instruments	Dividend Income + Fairvalue gain/loss on unquoted equity instruments	Opening value of unquoted equity instruments	-1.62%	-28.26%	-94.27%	Decrease in return on investment is due to reduction in fair value of investments at period end.

Standalone Notes to financial statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 49: Other Statutory Information

- (i) There are no proceedings initiated or are pending against the Company for holding any benami property under the prohibition of Benami Property Transaction Act, 1988 and rules made thereunder.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period. The Company is in the process of finalising the documents for creation of charge on external commercial borrowings from Wilmar Sugar Holdings Pte. Ltd.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) 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
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts 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)
- (viii) There were no Scheme of Arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 50:

As per Ind AS 108 'Operating Segments' if a financial statement contains both consolidated and standalone financial statements, segment information is required to be disclosed only in the consolidated financial statements. Hence, the same is not given in standalone financial statement.

Note 51:

Previous year's figures have been regrouped /reclassified wherever necessary to confirm to the current year presentation.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Regn. No. : 324982E/E300003

per Shyamsundar Pachisia

Partner

Membership No. : 049237

Date : 26th May 2023

Place : Mumbai

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

Place : Mumbai

Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

Place : Mumbai

Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of **Shree Renuka Sugars Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Shree Renuka Sugars Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive loss, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2023, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ('SAs'), as specified under section 143(10) of the Act.

Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 consolidated 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 consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters**How our audit addressed the key audit matter****Valuation of inventory (as described in note 2.1(III)(m) and note 8 of the consolidated financial statements)**

As on March 31, 2023, the Group is carrying inventory amounting to INR 22,785.98 million. The inventory of intermediary goods, work in progress and finished goods (including stock in transit) is valued at lower of cost or net realisable value and the inventory of raw materials and stores and spares (including stock in transit) is valued at weighted average cost.

The relative size of the inventory as on March 31, 2023 is significant to the financial statements and significant judgements are involved in determining:

- (i) cost of inventory which is based on factors such as cost of by-products which is based on its net realisable value,
- (ii) the net realizable value of closing inventory of intermediary and finished goods.

Accordingly, determination of value of inventory was determined to be a key audit matter in our audit of the consolidated financial statements.

Our audit procedures included the following:

- Read and assessed the Group's accounting policies with respect to inventory valuation for compliance with relevant accounting standards.
- We evaluated the design and tested the operating effectiveness of controls established by the management in determination of value of inventory of finished goods and intermediary goods.
- We tested the method used by the Holding Company for arriving at the cost of inventory of sugar. Evaluated the appropriateness of data used by the management in determining the net realisable value of by-products, intermediary and finished goods.
- We involved the component auditors to assess the appropriateness of valuation of inventory done for the respective components, as applicable.
- We assessed the disclosures in the financial statement for compliance with the requirements of Ind AS.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it is available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall comply with the relevant applicable requirements of the Standard on Auditing for the Auditor's Responsibility in relation to Other Information in documents containing the audited financial statements.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation

of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

ability of the Group and its associate 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 consolidated 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 Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements for the financial year ended March 31, 2023 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.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of seven subsidiaries, whose financial statements include total assets of Rs. 4,741.09 million as at March 31, 2023, and total revenues of Rs. 8,542.75 million and

net cash inflows of Rs. 146.42 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

One of the subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditor under generally accepted auditing standards applicable in the respective country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) The accompanying consolidated financial statements include the Group's share of net profit of Rs. Nil for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of one associate, whose financial information have not been audited and whose unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates to amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, the financial information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated

in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'other matter' paragraph we report, to the extent applicable, that:
- (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act of its subsidiary companies, none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company and its subsidiaries

incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements – Refer Note 37 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;

iii. An amount of Rs. 0.02 million has not been transferred to the Investor Education and Protection Fund by the Holding Company on account of disputes. There were no other amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. No dividend has been declared or paid during the year by the Holding Company and its subsidiary companies, incorporated in India.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company and its subsidiaries incorporated in India, hence reporting under this clause is not applicable.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Shyamsundar Pachisia
Partner

Membership Number: 049237

UDIN: 23049237BGXHNY7082

Place of Signature: Mumbai

Date: May 26, 2023

'Annexure 1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Shree Renuka Sugars Limited and its subsidiary companies incorporated in India ("the Group")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order ('CARO') reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding company/ Subsidiary Company	Clause number of the CARO report which is qualified or is adverse
1	Shree Renuka Sugars Limited	L01542KA1995PLC019046	Holding Company	(i)(c), (iii)(b), (iii) (c), (vii)(a), (ix)(d)
2	Monica Trading Private Limited	U51502MH2006PTC163752	Subsidiary Company	(xix)
3	Shree Renuka Agri Ventures Limited	U15330KA2008PLC047205	Subsidiary Company	(xix)
4	Shree Renuka Tunaport Private Limited	U45205KA2013PTC067486	Subsidiary Company	(xix)

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Shyamsundar Pachisia

Partner

Membership Number: 049237

UDIN: 23049237BGXHNY7082

Place of Signature: Mumbai

Date: May 26, 2023

'Annexure 2' to the Independent Auditor's Report of even date on the consolidated financial statements of Shree Renuka Sugars Limited

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

In conjunction with our audit of the consolidated financial statements of Shree Renuka Sugars Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial

statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial

statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these five subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Shyamsundar Pachisia

Partner

Membership Number: 049237

UDIN: 23049237BGXHNY7082

Place of Signature: Mumbai

Date: May 26, 2023

Consolidated Balance Sheet

as at 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated.)

	Notes	As at 31 st March 2023	As at 31 st March 2022
Assets			
Non-current assets			
Property, plant and equipment (including right to use assets)	3(a)	42,957.90	40,030.61
Capital work-in-progress	3(a)	1,143.43	2,170.73
Intangible assets	3(b)	2.55	8.09
Financial assets			
Investment in associates	4	-	-
Investments (others)	4(a)	423.79	432.50
Loans	4(b)	-	-
Other non-current financial assets	5	374.37	267.58
Non-current tax assets		122.28	93.05
Other non-current assets	6	459.62	691.07
Total non-current assets		45,483.94	43,693.63
Current assets			
Inventories	8	22,785.98	20,727.53
Financial assets			
Trade receivables (including unbilled revenue)	9	2,067.74	2,896.87
Cash and cash equivalents	10	1,670.33	222.34
Other bank balances	11	181.06	537.19
Other current financial assets	12	277.99	355.84
Other current assets	13	3,574.77	2,600.34
Total current assets		30,557.87	27,340.11
Total assets		76,041.81	71,033.74
Equity and liabilities			
Equity			
Equity share capital	14(a)	2,128.49	2,128.49
Other equity	14(b)	(10,940.65)	(8,205.81)
Equity attributable to equity holders of the parent		(8,812.16)	(6,077.32)
Non-controlling interest	40	5.72	2.70
Total Equity		(8,806.44)	(6,074.62)
Non-current liabilities			
Financial liabilities			
Borrowings	15	30,580.86	27,561.43
Lease Liability	16	188.48	178.30
Net employee benefit liabilities	17	353.40	252.52
Government grants	18	303.52	309.78
Non-current tax liabilities		18.37	5.85
Deferred tax liabilities (net)	7	1,415.85	1,287.94
Total non-current liabilities		32,860.48	29,595.82
Current liabilities			
Financial liabilities			
Borrowings	19	24,905.34	24,584.97
Lease liability	16	11.83	11.74
Trade payables	20		
Total outstanding dues of micro and small enterprises		131.65	23.60
Total outstanding dues of creditors other than micro and small enterprises		23,019.03	20,372.19
Other current financial liabilities	21	1,774.74	1,541.94
Net employee benefit liabilities	23	91.88	93.79
Government grants	18	141.56	106.75
Other current liabilities	22	1,911.74	777.56
Total current liabilities		51,987.77	47,512.54
Total liabilities		84,848.25	77,108.36
Total equity and liabilities		76,041.81	71,033.74

Significant accounting policies

2.1

Accompanying notes 1 to 50 form integral part of these consolidated financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Regn. No. : 324982E/E300003

per Shyamsundar Pachisia

Partner

Membership No. : 049237

Date : 26th May 2023

Place : Mumbai

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

Place : Mumbai

Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

Place : Mumbai

Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai

Consolidated Statement of profit and loss

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Notes	Year ended 31 st March 2023	Year ended 31 st March 2022
Income			
Revenue from operations	24	90,207.45	63,864.68
Income from incentive to sugar mills		-	461.62
Other income	25	857.90	690.10
Total income		91,065.35	65,016.40
Expenses			
Cost of raw material consumed	26	72,694.86	48,549.50
Purchase of traded goods	27	226.31	815.31
(Increase)/decrease in inventories of finished goods, work-in-progress and intermediate products and traded goods	28	(1,172.71)	2,234.36
Employee benefit expenses	29	1,667.03	1,417.17
Depreciation and amortisation expenses	30	2,376.53	2,079.14
Foreign exchange loss (net)	31	701.08	352.14
Finance costs	32	5,913.99	3,926.21
Other expenses	33	10,453.91	7,028.27
Total expenses		92,861.00	66,402.10
Loss before tax		(1,795.65)	(1,385.70)
Tax expense / (income)			
Current tax	7	24.84	-
Deferred tax	7	146.19	(18.51)
Income tax expense / (income)		171.03	(18.51)
Loss for the year		(1,966.68)	(1,367.19)
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:			
Reversal of revaluation reserve on disposal / impairment of property, plant and equipment		(0.52)	(36.02)
Income tax effect	7	0.12	11.23
Revaluation of land, building and plant and machinery	3	-	3,813.78
Income tax effect	7	-	(1,196.09)
Loss on remeasurements of defined benefit plans	38	(54.98)	(5.37)
Income tax effect	7	17.05	1.65
Unrealised gain/(loss) on FVTOCI equity securities	42	(8.34)	(170.82)
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net movement on effective portion of cash flow hedges	41	1,957.57	735.39
Net movement in cost of hedging reserve	41	(883.33)	(1,055.01)
Exchange difference on translation of foreign operations		(956.26)	(350.94)
Other comprehensive income for the year		71.31	1,747.80
Total comprehensive (loss) / income for the year (net of tax)		(1,895.37)	380.61
Loss for the year attributable to:			
Owners of the company		(1,969.70)	(1,385.41)
Non-controlling interests		3.02	18.22
Total comprehensive loss for the year attributable to:			
Owners of the company		(1,898.39)	362.39
Non-controlling interests		3.02	18.22
Earnings per share			
Earning per share towards parent - Basic [Face value of equity share INR 1/- each]	34	(0.93)	(0.65)
Earning per share towards parent - Diluted [Face value of equity share INR 1/- each]	34	(0.93)	(0.65)

Significant accounting policies

2.1

Accompanying notes 1 to 50 form integral part of these consolidated financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Regn. No. : 324982E/E300003

per Shyamsundar Pachisia

Partner

Membership No. : 049237

Date : 26th May 2023

Place : Mumbai

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

Place : Mumbai

Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

Place : Mumbai

Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai

Consolidated Statement of changes in equity

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

a. Equity share capital

	No of Shares (in millions)	Amount
As at 01st April 2021	2,128.49	2,128.49
Equity shares issued during the year	-	-
As at 31st March 2022	2,128.49	2,128.49
Equity shares issued during the year	-	-
As at 31st March 2023	2,128.49	2,128.49

b. Other equity

	Reserves and surplus				Items of OCI					Total	Non controlling interests (refer note 40)	Total other equity
	Securities premium	Debenture redemption reserve	Equity Contribution from Parent	Retained earnings	Cash flow hedge reserve	Cost of hedging reserve	Foreign currency translation reserve	Revaluation reserve on PPE	Changes in equity instrument and others			
As at 01 st April 2021	32,034.85	625.00	658.72	(51,722.94)	-	100.83	(300.44)	9,582.55	267.03	(8,754.40)	(15.52)	(8,769.92)
Loss for the period	-	-	-	(1,385.41)	-	-	-	-	-	(1,385.41)	18.22	(1,367.19)
Other Comprehensive Income	-	-	-	(3.72)	735.39	(1,055.01)	(350.94)	2,592.90	(170.82)	1,747.80	-	1,747.80
Total comprehensive income	-	-	-	(1,389.13)	735.39	(1,055.01)	(350.94)	2,592.90	(170.82)	362.39	18.22	380.61
Transferred to P&L	-	-	-	-	(735.39)	921.59	-	-	-	186.20	-	186.20
Depreciation of revalued assets	-	-	-	499.02	-	-	-	(499.02)	-	-	-	-
As at 31st March 2022	32,034.85	625.00	658.72	(52,613.05)	-	(32.59)	(651.38)	11,676.43	96.21	(8,205.81)	2.70	(8,203.11)
Loss for the period	-	-	-	(1,969.70)	-	-	-	-	-	(1,969.70)	3.02	(1,966.68)
Other Comprehensive Income	-	-	-	(37.93)	1,957.57	(883.33)	(956.26)	(0.40)	(8.34)	71.31	-	71.31
Total comprehensive income	-	-	-	(2,007.63)	1,957.57	(883.33)	(956.26)	(0.40)	(8.34)	(1,898.39)	3.02	(1,895.37)
Transferred to P&L	-	-	-	-	(1,957.57)	834.15	-	-	-	(1,123.42)	-	(1,123.42)
Interest waiver from parent	-	-	286.97	-	-	-	-	-	-	286.97	-	286.97
Depreciation of revalued assets	-	-	-	776.69	-	-	-	(776.69)	-	-	-	-
As at 31st March 2023	32,034.85	625.00	945.69	(53,843.99)	-	(81.77)	(1,607.64)	10,899.34	87.87	(10,940.65)	5.72	(10,934.93)

Accompanying notes 1 to 50 form integral part of these consolidated financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Regn. No. : **324982E/E300003**

per Shyamsundar Pachisia

Partner

Membership No. : **049237**

Date : 26th May 2023

Place : Mumbai

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

Place : Mumbai

Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

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Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai

Consolidated Statement of cash flows

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Year ended 31 st March 2023	Year ended 31 st March 2022
Operating activities		
Loss before tax	(1,795.65)	(1,385.70)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation of property, plant and equipment	2,370.95	2,073.06
Amortization of intangible assets	5.58	6.08
Unrealised loss/(gain) on derivatives	60.24	(30.41)
Government assistance	(115.06)	(81.47)
Excess provision written back	(321.80)	(171.32)
Finance costs	5,913.99	3,926.21
Finance Income	(24.69)	(18.13)
Impairment of financial assets	156.22	188.91
Expected credit loss on trade receivable	45.48	62.56
Property, plant and equipment written off	5.66	35.41
Loss on sale of property, plant and equipment	19.51	3.27
Dividend income	(1.51)	(1.92)
Unrealised loss on foreign exchange (net)	55.07	160.09
Working capital adjustments:		
Increase in employee benefit expenses	56.22	28.22
Decrease/(increase) in trade receivables	596.21	(1,422.59)
(Increase)/Decrease in other receivables and prepayments	(1,169.18)	236.40
(Increase)/Decrease in inventories	(2,094.74)	3,637.13
Increase/(decrease) in trade and other payables	5,543.24	(8,545.58)
	9,305.74	(1,299.78)
Income tax paid	(41.55)	(37.17)
Net cash flows from/(used in) operating activities	9,264.19	(1,336.95)
Investing activities:		
Purchase of property, plant and equipment	(4,003.62)	(2,766.35)
Proceeds from sale of property, plant and equipment	2.71	4.24
Proceeds from/(investment in) fixed deposits	435.48	(267.00)
Dividend received	1.51	1.92
Interest received (finance income)	19.76	6.34
Net cash flows used in investing activities	(3,544.16)	(3,020.85)
Financing activities:		
Proceeds from short term borrowings (net)	65.58	5,375.58
Repayment of long-term borrowings	(1,389.74)	(645.79)
Proceeds from long term borrowings	2,595.67	2,400.00
Finance cost and processing charges paid	(4,565.19)	(2,568.42)
Lease liability payments	(22.10)	(16.55)
Net cash flows (used in)/from financing activities	(3,315.78)	4,544.82
Foreign currency translation reserve	(956.26)	(350.94)
Net increase/(decrease) in cash and cash equivalents	1,447.99	(163.92)
Opening cash and cash equivalents (refer note 10)	222.34	386.26
Closing cash and cash equivalents (refer note 10)	1,670.33	222.34

The cash flow statement is prepared using the indirect method set out in IND AS 7 - Statement of cash flow

Consolidated Statement of cash flows

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Changes in liabilities arising from financing activities for year ended 31st March 2022

Particulars	Long term borrowings*	Short term borrowings	Non-current lease liabilities	Current lease liabilities
As at 01st April 2021	26,636.76	17,678.57	143.32	10.52
Proceeds from long term borrowings	2,400.00	-	-	-
Repayment of long term borrowings	(645.79)	-	-	-
Proceeds from short term borrowings	-	5,375.58	-	-
Increase of foreign currency borrowing on account of revaluation	735.39	-	-	-
Lease liability payments	-	-	-	(16.55)
Other	(34.11)	-	34.98	17.77
As at 31st March 2022	29,092.25	23,054.15	178.30	11.74

*Long term borrowings includes current maturities of long term borrowings.

Changes in liabilities arising from financing activities for year ended 31st March 2023

Particulars	Long term borrowings*	Short term borrowings	Non-current lease liabilities	Current lease liabilities
As at 01st April 2022	29,092.25	23,054.15	178.30	11.74
Proceeds from long term borrowings	2,595.67	-	-	-
Repayment of long term borrowings	(1,389.74)	-	-	-
Proceeds from short term borrowings	-	65.58	-	-
Increase/(decrease) of foreign currency borrowing on account of revaluation	1,957.57	(5.31)	-	-
Lease liability payments	-	-	-	(22.10)
Other	116.03	-	10.18	22.19
As at 31st March 2023	32,371.78	23,114.42	188.48	11.83

*Long term borrowings includes current maturities of long term borrowings.

Investing and financing transactions that do not require the use of cash or cash equivalents

	Year ended 31 st March 2023	Year ended 31 st March 2022
Non-Cash investing activity		
Acquisition of Right-of use assets	13.11	36.67

Accompanying notes 1 to 50 form integral part of these consolidated financial statements

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Regn. No. : **324982E/E300003**

per Shyamsundar Pachisia

Partner

Membership No. : **049237**

Date : 26th May 2023

Place : Mumbai

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

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Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

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Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai

Notes to Consolidated Financial Statements

for the year ended 31st March 2023

1. Corporate information

The consolidated financial statements comprise financial statements of Shree Renuka Sugars Limited (the 'Company'), and its subsidiaries (collectively, the 'Group') and its associate for the year ended 31st March 2023. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at 2nd and 3rd Floor, Kanakashree Arcade, CTS No. 10634, JNMC Road, Nehru Nagar, Belagavi – 590010, Karnataka.

The Group is principally engaged in the manufacturing and refining of sugar, ethyl alcohol, ethanol, generation and sale of power and engineering activities. Information on the Group's structure is provided in note 48. Information on other related party relationships of the Group is provided in note 39.

The financial statements for the year ended 31st March 2023 were authorised for issue by the Board of Directors of the Company on 26th May 2023.

1.1 Significant accounting policies

I. Basis of preparation:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time).

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Land, buildings and plant and machinery classified as property, plant and equipment,
- Land classified as right of use asset,
- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value ((refer note 2.1 (III) (q)) for accounting policy regarding financial instruments)

The financial statements are prepared in INR (Indian Rupees) and all values are rounded off to the nearest Million except when stated otherwise.

Going concern

As at 31st March 2023, the current liabilities of the Group exceed its current assets by INR 21,429.90 million, loss before tax of INR 1,795.65 million and negative net worth of INR 8,806.44 million. The Board of Directors of Wilmar Sugar Holdings Pte. Ltd., (Holding Company) have provided letter of support to the Group, to meet shortfall in its normal trade related working capital requirements up to period ending 31st May 2024. Also, term loans and working capital loans availed by the Company from Banks are secured by corporate guarantee provided by the ultimate Promoter Company (Wilmar International Limited).

Accordingly, the Group management believes it will be able to meet all its financial obligations, on a timely basis and hence, the Group has prepared the financial statements on going concern basis.

Principles of Consolidation

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activity of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries through line by line addition of like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in any subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

The subsidiary companies consolidated in the financial statements are as follows:

Name of the Enterprise	Country of Incorporation	Proportion of ownership interest	
		31 st March 2023	31 st March 2022
Renuka Commodities DMCC, Dubai	Dubai	100.00%	100.00%
Shree Renuka East Africa Agriventures PLC, Ethiopia	Ethiopia	99.99%	99.99%
Gokak Sugars Limited	India	93.64%	93.64%
Shree Renuka Agri Ventures Limited	India	100.00%	100.00%
Monica Trading Private Limited	India	100.00%	100.00%
Shree Renuka Tunaport Private Limited	India	100.00%	100.00%
KBK Chem Engineering Private Limited	India	100.00%	100.00%

II. Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended and as at 31st March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with other vote holders of the investee

- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated financial statements are prepared using uniform accounting policies. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March 2023.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed off the related assets or liabilities

III. Summary of significant accounting policies:

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling

interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are

Notes to Consolidated Financial Statements

for the year ended 31st March 2023

expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

c. Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiaries.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the

difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

d. Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or

Notes to Consolidated Financial Statements

for the year ended 31st March 2023

the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss, are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at an average exchange rate which approximates the actual rate at the date of the transaction. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

e. Fair value measurement

The Group measures financial instruments, such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the

asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Notes to Consolidated Financial Statements

for the year ended 31st March 2023

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 2.2 and 42)
- Quantitative disclosures of fair value measurement hierarchy (note 42)
- Investment in unquoted equity shares (note 4)
- Property, plant and equipment under revaluation model (note 3)
- Financial instruments (including those carried at amortised cost) (note 42)

f. Revenue recognition

Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, i.e., at transaction price. The Group has concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Sale of goods

Revenue from sale of goods is recognised at

the point in time when control of the goods is transferred to the customer, on delivery of the goods. Revenue from sale of services is recognised on a basis as per the contract terms based on actual services provided for the year. The normal credit term is 7 to 180 days upon delivery. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods and services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Revenue from construction contracts

Performance obligation in case of revenue from long - term construction contracts is satisfied over the period of time, since the Group creates an asset that the customer controls as the asset is created and the Group has an enforceable right to payment for performance completed to date if it meets the agreed specifications. Revenue from long term construction contracts is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e., the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss.

Contract revenue earned in excess of billing is reflected under "trade receivables (including unbilled revenue)". Retention money receivable from project customers does not contain any

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significant financing element, these are retained for satisfactory performance of contract. In case of long - term construction contracts payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short-term advances are received before the performance obligation is satisfied.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (q) financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligation under the contract.

Rendering of services

Income from services is recognised as they are rendered (based on agreement/arrangement with the concerned customers).

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

g. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

h. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation

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authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

i. Property, plant and equipment

Freehold land, buildings and plant, machinery and equipment, are carried in the balance sheet on the basis of revaluation model. The revaluation of these assets is conducted every three years by the Group.

Furniture and fixtures and vehicles are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capitalised costs include cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Capital work in progress is stated at cost, net of accumulated impairment, if any.

Land, buildings and plant, machinery and equipment are measured at fair value less accumulated depreciation and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient

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

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Useful life
Buildings	5 - 60 Years
Plant, machinery and equipment	1 - 40 Years
Furniture and fixtures	1 - 10 Years
Vehicles	7 - 8 Years

The Group, based on technical assessment made by experts and based on management estimate, depreciates certain items of building, plant, machinery and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised

is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Leases

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Leasehold land is carried in the balance sheet based on revaluation model. Other right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated

useful life of the asset.

The right-of-use assets are also subject to impairment.

Amortisation is calculated on a straight-line basis over the lease period of the assets as follows:

Category	Useful life
Lease hold land	24 - 78 Years
Buildings	2 - 3 Years
Plant and Equipment	12 -20 Years

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

m. Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods, intermediate goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- By-products and scraps are valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion for work in progress and the estimated costs necessary to make the sale.

n. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or change in circumstances indicate that they might be impaired.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

o. Provisions and contingencies

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any

reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities exist 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 Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

p. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods.

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Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs; and
- Net interest expense or income

Long term employee benefits

Compensated absences not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognised as an expense in the period in which they are incurred.

q. 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.

(a) Financial assets

Initial recognition and measurement

All financial assets (except trade receivables not containing any significant financing component) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Trade receivables not containing any significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial asset at amortised cost (debt instruments)

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income

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in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables and loans given to associates.

Financial asset at Fair Value through OCI (FVTOCI) (debt instruments)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss.

The Group has not designated any debt instrument as at FVTOCI.

Financial asset at Fair Value through profit and loss

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has

not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial asset designated at Fair Value through OCI (equity instruments)

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

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- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured

at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as 'trade receivables')
- d. Loan commitments which are not measured as at FVTPL
- e. Financial guarantee contracts which are not measured as at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- Loans and other financial assets

The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense (or income) in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated through profit or loss as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, derivative financial instruments, lease liabilities and other financial liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer note 15.

Other financial liabilities

The Group enters into deferred payment arrangements (letter of credit acceptances) whereby lenders such as banks and other financial institutions make payments to supplier's banks for purchase of materials. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements are recognized as acceptances under trade payables. Interest borne by the Group on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

s. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a

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for the year ended 31st March 2023

corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t. Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as foreign currency forward contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as cash flow hedges (hedging the exposure to variability in cash flows that is attributable to foreign currency risk associated with External Commercial Borrowings).

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses foreign currency forward contracts as hedges of its exposure to foreign currency risk in respect of principal portion of the External Commercial Borrowings.

The Group designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

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2.2 Significant accounting judgments estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

1. Taxes

The Group has unabsorbed depreciation of INR 17,008.68 million (31st March 2022: INR 16,370.49 million), unabsorbed tax losses of INR 6,717.57 million (31st March 2022: INR 6,079.09 million) on which deferred tax asset has been created; in addition, the Group has MAT credit entitlement of INR Nil (31st March 2022: INR Nil). The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses and the MAT credit entitlement can be carried forward for 8 years and 15 years respectively.

2. Revaluation of property, plant and equipment

The Group measures land, buildings, plant, machinery and machinery classified as property, plant, machinery and equipment at revalued amounts with changes in fair value being recognised in OCI. The Group had engaged an independent valuation specialist to assess fair value as at 31st March 2022

for revaluation of land, buildings, plant, machinery and equipment. Fair value of land was determined by using the market approach, fair value of building was determined by using depreciated replacement cost (DRC) and rent capitalisation method and sales comparison method of market approach and fair value of plant & equipment was determined by using depreciated replacement cost (DRC) method. The key assumptions used to determine fair value of the property, plant and equipment are provided in Note 3.

3. Significant influence in respect of associate

The Group has a 17.12% interest in Shree Renuka Global Ventures Ltd, Mauritius (SRGVL), which further hold investment in Shree Renuka do Brasil Participacoes Ltda, Brazil which is involved in the manufacture of Sugar, power, Ethanol and allied products in Brazil. Shree Renuka Global Ventures Ltd, Mauritius is not listed on any public exchange. The Group has determined that it has significant influence in SRGVL because of common directorship between SRSL and SRGVL.

4. Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes.

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Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 38.

2.3 New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 01st April 2022. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

1. Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 01st April 2022. These amendments had no impact on the consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

These amendments had no impact on the consolidated financial statements of the Group.

2. Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period.

2.4 Recent accounting pronouncements issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31st March 2023 to amend the following Ind AS which are effective from 01st April 2023.

1. Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 01st April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group's financial statements.

2. Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

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for the year ended 31st March 2023

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 01st April 2023. Consequential amendments have been made in Ind AS 107.

The Group is currently assessing the impact of the amendments.

3. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 01st April 2023.

The Group is currently assessing the impact of the amendments.

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Note 3: (a) Property, plant and equipment									
	Freehold land	Buildings	Plant, machinery and equipment	Furniture and fixtures**	Vehicles**	Right-of-use assets*	Total for property, plant and equipment (A)	Capital work-in-progress## (B)	Total (A+B)
Gross Block									
As at 01st April 2021	2,339.72	8,795.15	39,759.19	175.59	29.61	2,441.55	53,540.81	73.43	53,614.24
Additions	8.36	62.59	468.57	25.10	7.42	45.42	617.46	2,097.30	2,714.76
Disposals	-	(4.32)	(87.08)	(33.98)	(4.30)	(0.43)	(130.11)	-	(130.11)
Exchange differences	-	1.36	-	0.42	0.01	-	1.79	-	1.79
Adjustments	-	(99.00)	99.00	-	-	-	-	-	-
Revaluation	(76.50)	1,981.66	1,967.33	-	-	(58.71)	3,813.78	-	3,813.78
Transfer#	-	(2,925.77)	(14,099.93)	-	-	(42.28)	(17,067.98)	-	(17,067.98)
As at 31st March 2022	2,271.58	7,811.67	28,107.08	167.13	32.74	2,385.55	40,775.75	2,170.73	42,946.48
Additions	15.04	376.27	4,872.94	34.47	10.30	17.10	5,326.12	(1,027.30)	4,298.82
Disposals	-	(6.39)	(79.74)	(59.61)	(5.09)	(1.76)	(152.59)	-	(152.59)
Exchange differences	-	3.86	0.01	1.12	-	-	4.99	-	4.99
As at 31st March 2023	2,286.62	8,185.41	32,900.29	143.11	37.95	2,400.89	45,954.27	1,143.43	47,097.70
Depreciation and impairment									
As at 01st April 2021	-	2,598.90	12,525.84	90.55	8.31	565.79	15,789.39	-	15,789.39
Depreciation charge for the year (refer note 30)	-	314.99	1,598.23	27.62	4.82	127.40	2,073.06	-	2,073.06
Disposals	-	(1.55)	(38.66)	(33.21)	(4.30)	-	(77.72)	-	(77.72)
Exchange differences	-	0.40	-	0.42	0.01	-	0.83	-	0.83
Impairment	-	13.03	14.52	0.01	-	-	27.56	-	27.56
Transfer#	-	(2,925.77)	(14,099.93)	-	-	(42.28)	(17,067.98)	-	(17,067.98)
As at 31st March 2022	-	-	-	85.39	8.84	650.91	745.14	-	745.14
Depreciation charge for the year (refer note 30)	-	428.80	1,770.19	31.39	5.51	135.06	2,370.95	-	2,370.95
Disposals	-	(4.82)	(52.72)	(59.43)	(5.05)	-	(122.02)	-	(122.02)
Exchange differences	-	1.17	0.01	1.12	-	-	2.30	-	2.30
As at 31st March 2023	-	425.15	1,717.48	58.47	9.30	785.97	2,996.37	-	2,996.37
Net book value									
As at 31st March 2023	2,286.62	7,760.26	31,182.81	84.64	28.65	1,614.92	42,957.90	1,143.43	44,101.33
As at 31st March 2022	2,271.58	7,811.67	28,107.08	81.74	23.90	1,734.64	40,030.61	2,170.73	42,201.34

* For further information refer note 47

** These assets were carried at deemed cost at the time of transition to Ind AS

This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset, to bring the gross block of asset on the revaluation date equivalent to fair value of assets.

Capital work-in-progress is net of additions made during the year.

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Note : Buildings include those constructed on Leasehold Land as under :

	As at 31 st March 2023	As at 31 st March 2022
Depreciation Charge for the year	46.69	25.79
Gross Block	1,374.51	841.36
Accumulated Depreciation	(430.88)	(384.19)
Revaluation	-	351.71
Net Block	943.63	808.88

A. Assets under construction :

Capital work in progress as at 31st March 2023 comprises of expenditure incurred for construction of building and plant and machinery pertaining to ethanol expansion project at one plant of the Group of INR 970.34 million and this project is expected to be completed by 30th September 2023.

The other costs comprises expenditure incurred for construction of plant and machinery and building including material procured for multiple projects at other plants.

B. Capitalisation of borrowing cost :

During the current year, the Company has capitalized borrowing costs related to ethanol expansion projects being undertaken at two manufacturing units of the Group, i.e., Athani and Munoli.

The above-mentioned capital expansion is financed by Bank. The amount of borrowing cost capitalised during the year is INR 187.30 million (31st March 2022: INR 41.17 million). The rate used to determine amount of borrowing costs eligible for capitalisation is 4.44% (31st March 2022: 4.33%), which is the EIR of those specific borrowings.

C. Revaluation of land, buildings and plant, machinery and equipment :

During the previous year ended 31st March 2022, the Group had appointed a registered independent valuer who has relevant experience for valuation of property, plant and equipment and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The valuer was appointed to determine the fair value of freehold land, building, plant and machineries and leasehold land (forming part of right of use assets). As an outcome of this process, the Group had recognised increase in the gross block of building of INR 1,981.66 million, plant and machinery of INR 1,967.33 million and decrease in gross block of freehold land of INR 76.50 million and leasehold land of INR 58.71 million. The Group recognised this change in fair value within the revaluation reserve and statement of other comprehensive income during the previous year.

The fair values were determined after considering physical condition of the asset, technical usability / capacity, salvage value, quotes from independent vendors. The fair value of land was determined using market approach and building, plant, machinery and equipment using Depreciated Replacement Cost (DRC) and in case of buildings located in one of the plant of the Company, fair value was determined based on alternative usable value of these buildings like leasing. The DRC is derived from the Gross Current Reproduction / Replacement Cost (GCRC) which is reduced by considering depreciation. The fair value measurement was classified under level 3 of the fair value hierarchy.

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Significant unobservable valuation input :

Asset	Valuation technique	Significant unobservable inputs
Freehold land/ Leasehold 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.
Building	Depreciated Replacement Cost (DRC) and Rent Capitalisation Method and Sales Comparison Method of Market Approach	<p>Building/structural sheds were measured considering the DRC cost method for the constructed area depending on utility including alternate use and design of building structures condition, actual physical condition and state of repairs and maintenance, type of general and special specifications of construction, remaining useful economic life of the structures, demand for the structures, cost of building materials and related construction supplies in the surrounding area, latest trends in the building construction technology, present day replacement cost of comparable building structures, depreciation for physical wear and tear.</p> <p>Valuation of building structures at one of the plants of the Company was done on the basis of value in use, which has been identified using the estimation of the building value using rent capitalization method which relates value to the market rent that a property can be expected to earn and to the resale value.</p> <p>Sales Comparison Method of Market Approach has been used for the valuation of some office premises and residential apartments of the Group.</p>
Plant, machinery and equipment	Depreciated Replacement Cost (DRC)	<p>The Valuation of Plant & Machinery is carried out by using replacement cost method under cost approach of valuation. The Gross Current replacement cost of the assets under valuation means the price expected to replace the existing asset with similar or equivalent new asset as on date of valuation. Since the exercise is based on the in-situ scenario, the direct/indirect costs like loading/unloading, transportation, Erection and Commissioning, Cost of Foundation etc., have been included while estimating the Gross Current Replacement cost (GCRC) of the Plant & Machinery. The Depreciated Replacement Cost is derived from the Gross Current Replacement Cost (GCRC) after deduction of depreciation based on age of the asset.</p> <p>The DRC is adjusted towards the obsolescence (including economic obsolescence), potential profitability and service potential in order to estimate the market value of "in-situ" of the plant and machinery.</p>

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Information of revaluation model (gross of deferred tax) :

	Amount
As at 01st April 2021	14,224.70
Measurement recognised in reserves	3,813.78
Depreciation	(713.21)
Disposed off/impaired	(36.02)
Other adjustments	377.24
As at 31st March 2022	17,666.49
Depreciation	(1,111.71)
Disposed off/impaired	(0.52)
As at 31st March 2023	16,554.26

If land, buildings and plant, machinery and equipment were measured using the cost model. The carrying amounts would be as follows:

Net book value	As at 31 st March 2023	As at 31 st March 2022
Cost (net of impairment)		
Freehold land	540.92	525.88
Right of use assets	1,685.67	1,671.37
Buildings	6,637.35	6,263.61
Plant, machinery and equipment	37,239.25	32,407.22
	46,103.19	40,868.08
Accumulated depreciation (net of impairment)		
Freehold land	-	-
Right of use assets	365.84	361.83
Buildings	3,024.00	2,823.79
Plant, machinery and equipment	16,423.00	15,423.98
	19,812.84	18,609.60
Net carrying amount		
Freehold land	540.92	525.88
Right of use assets	1,319.83	1,309.54
Buildings	3,613.35	3,439.82
Plant, machinery and equipment	20,816.25	16,983.24
	26,290.35	22,258.48

D. Impairment assessment of CGU :

As per the requirements of Ind AS 36, the Group tests at the end of every reporting period, whether there is any indication that the property, plant and equipment may be impaired. If any such indication exists, the Group estimates the recoverable amount of the property, plant and equipment. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

There were no indicators during the year ended 31st March 2023.

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Note 3(b): Intangible assets

	Goodwill	Computer software	Total
Gross Block			
As at 01st April 2021	6,918.28	137.84	7,056.12
Additions	-	0.85	0.85
Disposals/Adjustments	(6,746.86)	(0.18)	(6,747.04)
As at 31st March 2022	171.42	138.51	309.93
Additions	-	0.04	0.04
As at 31st March 2023	171.42	138.55	309.97
Amortisation and impairment			
As at 01st April 2021	6,918.28	124.52	7,042.80
Amortisation for the year (refer note 30)	-	6.08	6.08
Disposals/Adjustments	(6,746.86)	(0.18)	(6,747.04)
As at 31st March 2022	171.42	130.42	301.84
Amortisation for the year (refer note 30)	-	5.58	5.58
As at 31st March 2023	171.42	136.00	307.42
Net book value			
As at 31st March 2023	-	2.55	2.55
As at 31st March 2022	-	8.09	8.09

Note 4: Investment in associates

	Currency	Face value	As at 31 st March 2023		As at 31 st March 2022	
			Number of units	INR Million	Number of units	INR Million
Unquoted equity shares: At amortised cost						
Shree Renuka Global Ventures Limited (refer note 35)	USD	1	81,615,000	0.31	81,615,000	0.31
Less:- Share of losses of associate restricted to Group's interest in the associate				(0.31)		(0.31)

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Note 4 (a) : Investments (others)

	Currency	Face value	As at 31 st March 2023		As at 31 st March 2022	
			Number of units	INR Million	Number of units	INR Million
Unquoted equity shares:						
At fair value through other comprehensive income (fully paid)						
National Commodity & Derivatives Exchange Ltd.(NCDEX) (refer note 42)	INR	10	2,533,700	420.82	2,533,700	429.16
Quoted equity shares: At fair value through profit and loss account (fully paid)						
Simbhaoli Sugars Limited (refer note 42)	INR	10	352,934	2.97	352,934	3.34
Aggregate value of total investments				423.79	432.50	
Aggregate value of quoted investments				2.97	3.34	
Aggregate value of unquoted investments				420.82	429.16	

Note 4 (b) : Non-current loans

	As at 31 st March 2023	As at 31 st March 2022
Unsecured and considered good (at amortised cost) :		
Loans to associates (refer note 39)	15,588.26	15,588.26
Less: Impairment allowance (refer note 39)	(15,588.26)	(15,588.26)
	-	-
Break-up for security details		
Unsecured, considered good	-	-
Unsecured, credit impaired (refer note 39)	15,588.26	15,588.26
(A)	15,588.26	15,588.26
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired (refer note 39)	(15,588.26)	(15,588.26)
(B)	(15,588.26)	(15,588.26)
(A-B)	-	-

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Note 5: Other non-current financial assets

	As at 31 st March 2023	As at 31 st March 2022
Unsecured and considered good (at amortised cost) :		
Fixed deposit pledged with bank/deposited with government authorities	129.66	209.01
Deposits	316.27	130.13
Less: Impairment allowance	(71.56)	(71.56)
	244.71	58.57
	374.37	267.58
Breakup for security details		
Unsecured, considered good	374.37	267.58
Unsecured, credit impaired	71.56	71.56
(A)	445.93	339.14
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	(71.56)	(71.56)
(B)	(71.56)	(71.56)
(A-B)	374.37	267.58

Note 6: Other non-current assets

	As at 31 st March 2023	As at 31 st March 2022
Capital advances	48.70	195.76
Balances with government authorities	-	90.50
Amount paid under protest to government authorities	565.22	509.07
Less: Impairment allowance	(154.30)	(104.26)
	410.92	404.81
	459.62	691.07
Breakup for security details		
Unsecured, considered good	459.62	691.07
Unsecured, credit impaired	154.30	104.26
(A)	613.92	795.33
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	(154.30)	(104.26)
(B)	(154.30)	(104.26)
(A-B)	459.62	691.07

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Note 7: Income tax

The major components of income tax expenses for the year ended 31st March 2023 and 31st March 2022 are:

	As at 31 st March 2023	As at 31 st March 2022
Profit and loss section		
Current income tax:		
Current income tax charge	24.84	-
Deferred tax:		
Relating to origination and reversal of temporary differences and write-down of deferred tax asset	146.19	(18.51)
Income tax expense/(income) reported in the consolidated statement of profit and loss	171.03	(18.51)

OCI Section

Deferred tax related to items recognised in OCI during the year

	As at 31 st March 2023	As at 31 st March 2022
Net loss on remeasurements of defined benefit plans	(17.05)	(1.65)
Revaluation of land, building and plant and machinery	-	1,196.09
Reversal of revaluation reserve on disposal / impairment of property, plant and equipment	(0.12)	(11.23)
Income tax expense/(income) charged to OCI	(17.17)	1,183.21

Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for 31st March 2023 and 31st March 2022

	As at 31 st March 2023	As at 31 st March 2022
Accounting loss before tax	(1,795.65)	(1,385.70)
Local tax rate	31.20%	31.20%
Tax at local rate	(560.24)	(432.34)
Effect of differential overseas tax rate	156.64	69.12
Effect of differential domestic tax rate	(8.58)	(15.86)
Interest remission by affiliate company	34.68	-
Losses utilized against taxable profits in the current year	-	168.48
Movement of interest unwinding on government grant	50.35	34.80
Losses on which no deferred asset is created	224.27	-
Provisions written back, not claimed as expenses in earlier years	(6.13)	-
Expenses of capital nature and provisions disallowed	69.67	-
Reversal of DTA on conversion of loan into investments	235.10	-
MAT credit written off	-	196.78
Other non-deductible expense	(24.73)	(39.49)
Income tax expense/(income) reported in the consolidated statement of profit and loss	171.03	(18.51)

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Deferred tax

	As at 31 st March 2023	As at 31 st March 2022
Accelerated depreciation for tax purposes	(8,985.96)	(8,902.97)
Expenses claimed on payment basis	486.80	678.36
Losses available for offsetting against future taxable income	7,083.31	6,936.67
Net deferred tax liability	(1,415.85)	(1,287.94)

Presented in the balance sheet as follows:

	As at 31 st March 2023	As at 31 st March 2022
Deferred Tax Assets (DTA)	-	-
Deferred Tax Liabilities (DTL)	(1,415.85)	(1,287.94)
Deferred Tax Liabilities (DTL)	(1,415.85)	(1,287.94)

Reconciliation of deferred tax liabilities :

	As at 31 st March 2023	As at 31 st March 2022
Opening balance as at 01 st April (net)	(1,287.94)	(123.24)
Tax (expense)/income during the period recognised in profit and loss	(146.19)	18.51
Tax income/(expense) during the period recognised in OCI	17.17	(1,183.21)
Other adjustments	1.11	-
Closing balance	(1,415.85)	(1,287.94)

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits.

The Group has unabsorbed depreciation of INR 17,008.68 million (31st March 2022: INR 16,370.49 million), unabsorbed tax losses of INR 6,717.57 million (31st March 2022: INR 6,079.09 million) on which deferred tax asset has been created. In addition, the group has MAT credit entitlement of INR 28.92 million (31st March 2022: INR Nil million) included in the balance of deferred tax assets. The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses and the MAT credit entitlement can be carried forward for 8 years and 15 years respectively. The carrying amount of deferred tax assets is reviewed at each reporting date to assess whether sufficient taxable profit will be available for recoverability of deferred tax assets. Accordingly, the deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

The Group has unabsorbed depreciation of INR 777.77 million (31st March 2022: INR Nil million), unabsorbed tax losses of INR 3,159.15 million (31st March 2022: INR 2,878.79 million) on which deferred tax asset has not been created. The unabsorbed depreciation can be carried forward for indefinite period, whereas the unabsorbed losses can be carried forward for 8 years and will expire between financial year 2025-26 to 2032-33.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 8: Inventories

	As at 31 st March 2023	As at 31 st March 2022
Raw materials and components (at cost)	5,187.54	4,414.37
(includes transit stock of 31 st March 2023: INR 3.15 million (31 st March 2022: INR 2.76 million))		
Work-in-progress (at cost)	-	263.57
Stores and spares (at cost)*	669.62	557.05
(includes transit stock of 31 st March 2023: INR 5.80 million (31 st March 2022: INR 25.55 million))		
Intermediate products (at lower of cost or net realisable value)	2,514.63	4,369.45
(includes transit stock Nil (31 st March 2022: INR 50.51 million))		
Finished goods: (at lower of cost or net realisable value)		
(includes transit stock INR 1.14 million (31 st March 2022: INR 69.96 million))		
- Manufactured	14,414.19	11,123.09
	22,785.98	20,727.53

* Includes packing material and consumables

Cost of inventories includes expenses of INR 233.80 million (31st March 2022: INR 23.39 million) in respect of write down of inventories to Net realisable value.

Note 9: Trade receivables (including unbilled revenue)

	As at 31 st March 2023	As at 31 st March 2022
Unsecured, considered good		
Receivables from third parties	2,035.03	1,996.01
Less: Impairment allowance	(197.72)	(186.96)
	1,837.31	1,809.05
Receivables from affiliates (refer note 39)	230.43	1,092.96
Less: Impairment allowance	-	(5.14)
	230.43	1,087.82
	2,067.74	2,896.87
Break-up for security details:		
Unsecured, considered good		
Receivables from third parties	1,837.31	1,809.05
Receivables from affiliates (refer note 39)	230.43	1,087.82
Unsecured, credit impaired		
Receivables from third parties	197.72	186.96
Receivables from affiliates (refer note 39)	-	5.14
(A)	2,265.46	3,088.97

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	As at 31 st March 2023	As at 31 st March 2022
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Unsecured, credit impaired	(197.72)	(192.10)
(B)	(197.72)	(192.10)
(A-B)	2,067.74	2,896.87

During the year, the Group has recognised impairment allowance on 12-month expected credit loss model amounting to INR 3.47 million (31st March 2022: INR Nil). Also during the year, the Group has recognised impairment allowance on lifetime expected credit loss model amounting to INR 42.01 million (31st March 2022: INR 62.56 million).

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Trade or other receivables due from firms or private companies respectively in which any director is a partner or a director or a member is mentioned in note 39 (A).

Trade receivables are non-interest bearing and are generally on terms of 7 to 180 days.

Trade receivables Ageing Schedule

	As at 31 st March 2023	As at 31 st March 2022
i. Undisputed Trade Receivables - considered good :		
Curent but not due	801.10	2,134.32
Less than 6 Months	1,144.65	683.52
6 months – 1 year	69.07	8.24
1-2 years	12.08	16.50
2-3 years	20.91	8.08
More than 3 years	14.26	46.21
	2,062.07	2,896.87
ii. Disputed Trade Receivables - considered good :		
Curent but not due	-	-
Less than 6 Months	-	-
6 months – 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	5.67	-
	5.67	-
iii. Undisputed Trade Receivables - credit impaired :		
Curent but not due	-	-
Less than 6 Months	-	-
6 months – 1 year	0.77	-
1-2 years	0.75	-
2-3 years	0.18	-

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	As at 31 st March 2023	As at 31 st March 2022
More than 3 years	1.30	5.95
	3.00	5.95
iv. Disputed Trade Receivables - credit impaired :		
Curent but not due	-	-
Less than 6 Months	1.02	-
6 months – 1 year	-	5.25
1-2 years	5.25	12.25
2-3 years	12.25	23.88
More than 3 years	176.20	144.77
	194.72	186.15

Note 10: Cash and cash equivalents

	As at 31 st March 2023	As at 31 st March 2022
Unsecured and considered good (at amortised cost) :		
Cash and cash equivalents:		
Cash on hand	0.02	0.28
Balances with banks:		
In current accounts	1,670.31	222.06
	1,670.33	222.34

Note 11: Other bank balances

	As at 31 st March 2023	As at 31 st March 2022
Unsecured and considered good (at amortised cost) :		
Other bank balances:		
Earmarked balances		
Unpaid dividend account	0.02	0.02
Fixed deposit pledged with bank/deposited with government authorities*	181.04	537.17
	181.06	537.19

*Fixed deposit with banks include amounts that have been provided as margin money and those that have been pledged with government authorities towards guarantees.

Notes to Consolidated Financial Statements

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Note 12: Other current financial assets

	As at 31 st March 2023	As at 31 st March 2022
Unsecured and considered good (at amortised cost) :		
Derivative asset	-	204.91
Duty drawback receivable	14.68	34.74
Interest receivable	162.74	51.66
Other receivables**	100.57	64.53
	277.99	355.84
Break-up for security details		
Unsecured, considered good	277.99	355.84
Unsecured, credit impaired	-	-
	277.99	355.84
	277.99	355.84

** Includes balance receivable from related parties amounting to INR 67.13 million (31st March 2022: INR 54.58 million) (refer note 39).

Note 13: Other current assets

	As at 31 st March 2023	As at 31 st March 2022
Prepayments	190.84	171.43
Balances with government authorities	2,083.71	1,757.17
Advances to suppliers*	3,850.16	3,215.95
Less: Impairment allowance**	(2,583.71)	(2,585.73)
	1,266.45	630.22
Others	428.32	436.07
Less: Impairment allowance	(394.55)	(394.55)
	33.77	41.52
	3,574.77	2,600.34
Break-up for security details		
Unsecured, considered good	3,574.77	2,600.34
Unsecured, credit impaired	2,978.26	2,980.28
	(A)	5,580.62
Impairment allowance		
Unsecured, considered good	-	-
Unsecured, credit impaired	(2,978.26)	(2,980.28)
	(B)	(2,980.28)
	(A-B)	2,600.34

*Includes advances to related parties amounting to INR 445.81 million (31st March 2022: INR 163.15 million) (refer note 39).

**Includes impairment of advances to related parties INR 91.24 million (31st March 2022: INR 91.24 million) (refer note 39).

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 14a: Equity share capital

	As at 31 st March 2023	As at 31 st March 2022
a) Authorised share capital		
8,000,000,000 Equity shares of INR 1 each	8,000.00	8,000.00
171,500,000 Preference shares of INR 100 each	17,150.00	17,150.00
	25,150.00	25,150.00
b) Issued, subscribed and paid up		
2,128,489,773 Equity shares of INR 1 each fully paid	2,128.49	2,128.49
	2,128.49	2,128.49

Terms/rights attached to equity shares

The Company has only one class of equity shares having face value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, if any, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital

	Number of equity shares	Amount
As at 01st April 2021	2,128,489,773	2,128.49
Shares issued during the year	-	-
As at 31st March 2022	2,128,489,773	2,128.49
Shares issued during the year	-	-
As at 31st March 2023	2,128,489,773	2,128.49

Details of shareholders holding more than 5% shares in the equity share capital of the Company

Name of the Shareholder	As at 31 st March 2023		As at 31 st March 2022	
	No. of Shares	% holding	No. of Shares	% holding
Wilmar Sugar Holdings Pte. Ltd.	1,329,875,232	62.48%	1,329,875,232	62.48%
ICICI Bank Limited	171,675,640	8.07%	171,675,640	8.07%

Shares held by promoters at the end of the year

Promoter name	No. of Shares	% of total shares	% change during the year
Wilmar Sugar Holdings Pte. Ltd.	1,329,875,232	62.48%	0.00%

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 14b: Other equity

	As at 31 st March 2023	As at 31 st March 2022
Securities premium account (refer note a below)	32,034.85	32,034.85
Debenture Redemption Reserve (DRR) (refer note b below)	625.00	625.00
Equity contribution from parent (refer note c below)	945.69	658.72
Changes in equity instruments (refer note c below)	87.87	96.21
Foreign currency translation reserve (refer note c below)	(1,607.64)	(651.38)
Revaluation reserve (refer note c below)	10,899.34	11,676.43
Retained earnings (refer note c below)	(53,843.99)	(52,613.05)
Cost of hedging reserve (refer note c below)	(81.77)	(32.59)
	(10,940.65)	(8,205.81)

a. Securities premium account :

	INR million
As at 01st April 2021	32,034.85
Shares issued during the year	-
As at 31st March 2022	32,034.85
Shares issued during the year	-
As at 31st March 2023	32,034.85

Securities premium reserve is credited when shares are issued at premium. The reserve is utilised in accordance with the provisions of the Companies Act 2013 (the Act).

b. Debenture Redemption Reserve (DRR) :

	INR million
As at 01st April 2021	625.00
Transfer to/(from) retained earnings	-
As at 31st March 2022	625.00
Transfer to/(from) retained earnings	-
As at 31st March 2023	625.00

The Group has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and debentures) Rules, 2014 (as amended), require the group to create DRR out of profits of the group available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued over the life of debentures.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

c. Other reserves :

	As at 31 st March 2023	As at 31 st March 2022
Equity contribution by parent	945.69	658.72
Changes in equity instrument and others	87.87	96.21
Foreign currency translation reserve	(1,607.64)	(651.38)
Revaluation reserve	10,899.34	11,676.43
Retained earnings	(53,843.99)	(52,613.05)
Cost of hedging reserve	(81.77)	(32.59)
Total other reserves	(43,600.50)	(40,865.66)

Equity Contribution from Parents :

During the year, Group had received waiver in respect of interest accrued on trade payables for purchase of raw sugar and advances for sale of white sugar received from its affiliate company Wilmar Sugar Pte. Ltd. amounting to INR 111.14 million and in respect of short term borrowings received from holding company Wilmar Sugar Holdings Pte. Ltd. amounting to INR 175.83 million. The Group accounted for these waivers as equity contribution from the parent and has presented the same as a separate component of equity under other equity as per Ind AS 109 - Financial instruments.

Changes in equity instruments and others :

Changes in equity instrument, represents reserves created in respect of investment in unquoted equity shares carried at Fair Value Through Other Comprehensive Income.

Foreign currency translation reserve :

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Revaluation reserve :

Revaluation reserve is credited when property, plant and equipment are revalued at fair value. The reserve is utilised in accordance with the requirements of Ind AS 16. During the year, the group recognised impairment of property, plant and equipment through revaluation reserve amounting to INR Nil (31st March 2022: INR 7.57 million) (net of deferred tax) and recognized amount of INR 0.40 million (31st March 2022: INR 17.22 million) (net of deferred tax) as reversal of revaluation reserve on retiral/disposal of assets. During the year, the Group recognised revaluation reserve (net of deferred tax) of INR Nil (31st March 2022: 2,617.69 million) on revaluation of property, plant and equipment as per Group's accounting policies.

Retained earnings :

Retained earnings represents surplus/(deficit) earned from the operations of the Group.

Cost of hedging reserve :

The Company designates the forward element of foreign currency forward contracts cost of hedging and accumulates this cost in the statement of other comprehensive income over the term of the contract. Such amount is amortised to the statement of profit and loss on a systematic basis over the life of the contract.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 15: Borrowings (non-current)

	As at 31 st March 2023	As at 31 st March 2022
Secured		
a) Non-convertible debentures (refer note A, note B and note C below)		
750 Redeemable non-convertible debentures (11.70%) of INR 1,000,000 each (31 st March 2022: 1,500 Redeemable NCD's)	455.23	1,268.98
750 Redeemable non-convertible debentures (11.00%) of INR 1,000,000 each	750.00	-
500 Redeemable non-convertible debentures (11.30%) of INR 1,000,000 each (31 st March 2022: 1,000 Redeemable NCD's)	303.48	845.98
500 Redeemable non-convertible debentures (11.00%) of INR 1,000,000 each	500.00	-
b) Term Loans (refer note A and note B below)		
From Banks and financial institutions	5.28	8.63
From Holding Company - Wilmar Sugar Holdings Pte. Ltd. (refer note A(a) and note B below)		
External Commercial Borrowings (ECB) (refer note 39)	24,445.92	22,390.10
Unsecured		
Term Loans (refer note A and note C below)		
From Banks and financial institutions	5,911.87	4,578.56
	32,371.78	29,092.25
Less: Current maturity of long-term borrowings transferred to short term borrowings (refer note 19)	(1,790.92)	(1,530.82)
	30,580.86	27,561.43

Terms of loan outstanding as at 31st March 2023

Particulars	Maturity	Effective rate of interest	As at 31 st March 2023	As at 31 st March 2022
Non-convertible debentures :				
Non-convertible debentures - LIC*	31 st March 2028	11.70%	455.23	1,268.98
Non-convertible debentures - LIC*	31 st March 2032	11.00%	750.00	-
Non-convertible debentures - LIC*	31 st March 2028	11.30%	303.48	845.98
Non-convertible debentures - LIC*	31 st March 2032	11.00%	500.00	-
Term Loans				
From Banks and financial institutions :				
First Abu Dhabi Bank	12 th May 2026	9.70%	1,854.37	2,389.05

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Particulars	Maturity	Effective rate of interest	As at	As at
			31 st March 2023	31 st March 2022
IDBI Bank Limited	28 th September 2024	8.70%	5.28	8.63
Standard Chartered Bank	06 th June 2026	8.74%	2,834.03	2,189.51
DBS Bank	04 th May 2027	8.44%	1,223.47	-
From Holding Company - Wilmar Sugar Holdings Pte. Ltd. :				
External Commercial Borrowings (ECB)	27 th August 2025	6.24% #	24,445.92	22,390.10

ECB carry the interest @ 6 months LIBOR + 3%. The EIR is calculated including applicable taxes, but excluding hedging cost.

*During the year ended 31st March 2023, the Group has restructured its 11.70% non-convertible debentures (NCD) amounting to INR 1,500 million and 11.30% NCD amounting to INR 1,000 million, for which the Group received a revised letter of intent from Life Insurance Corporation of India ("LIC") on 21st October 2022 for modification in terms of NCD and security thereon. The said NCD's are restructured as follows:

Particulars	Face value	Amount outstanding as at March 31, 2023
11.70% NCD	750.00	455.23
11.00% NCD	750.00	750.00
11.30% NCD	500.00	303.48
11.00% NCD	500.00	500.00

Prior to the restructuring agreement, the Group was accruing interest expenses on these NCD's as per the original agreement with the debenture holder for the period from 01st July 2018 to 30th September 2022. However, as a part of the restructuring agreement, the Group and the debenture holder agreed on interest payment for the period from 01st July 2018 to 30th September 2022 of INR 262.50 million. Pursuant to this, the excess amount of accrual amounting to INR 311.42 million has been written back and accounted as other income during the year ended 31st March 2023.

Note A: Repayment schedule of external commercial borrowings, term loans and non-convertible debentures is as follows:

- The External Commercial Borrowings (ECB) was received from its holding Company (Wilmar Sugar Holdings Pte. Ltd.) in the financial year 2020-21. The loan is repayable on maturity i.e. after 60 months from the date of last receipt of ECB. The maturity date of ECB is 27th August 2025.

Notes to Consolidated Financial Statements

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b) The repayment schedule of the non convertible debentures are as follows :

Particulars	No. of installments	Date of first installment	Date of last installment
750 Redeemable non-convertible debentures (11.70%) of INR 1,000,000 each	39 structured quarterly installment	30 th September 2018	31 st March 2028
750 Redeemable non-convertible debentures (11.00%) of INR 1,000,000 each	12 structured quarterly installment	30 th June 2029	31 st March 2032
500 Redeemable non-convertible debentures (11.30%) of INR 1,000,000 each	39 structured quarterly installment	30 th September 2018	31 st March 2028
500 Redeemable non-convertible debentures (11.00%) of INR 1,000,000 each	12 structured quarterly installment	30 th June 2029	31 st March 2032

- c) Term loans availed from First Abu Dhabi Bank, having maturity date of 12th May 2026, are repayable in 20 structured quarterly instalments commencing from 12th August 2021.
- d) Term loans availed from DBS, having maturity date of 04th May 2027, are repayable in 16 structured quarterly instalments commencing from 04th August 2023.
- e) Term loans availed from Standard Chartered Bank, having maturity date of 06th June 2026, are repayable in 16 structured quarterly instalments commencing from 07th September 2022.
- f) Term loans availed from IDBI Bank, having maturity date of 28th September 2024, are repayable in 36 structured monthly instalments commencing from 28th September 2021.

Note B: Nature of security/guarantees

Non-convertible debentures

Exclusive charge by way of mortgage/hypothecation on all the immovable/movable assets at Haldia & Panchaganga.

Secured term loans

For term loan from IDBI Bank Limited

Primary : Second charge by way of hypothecation of entire stock and book debts of one of the subsidiaries.
Collateral : Second charge by way of equitable mortgage of Factory Land & Building at village Kasar Amboli, Tai Mulshi, Distt. Pune and hypothecation of Plant & Machinery of factory at village Kasar Amboli, Tai Mulshi, Dist Pune and second charge by way of equitable mortgage of Flat, Maharshi karve Nagar, Pune.

Secured working capital

i. Rupee borrowing from IDBI Bank Limited

Primary : First charge on all current assets and book debts of one of the subsidiaries, both present & future.
Collateral : First charge by way of registered mortgage of Factory Land & Building at village Kasar Amboli, Tai Mulshi, Distt. Pune, hypothecation of Plant & Machinery of factory at village Kasar Amboli, Tai Mulshi, Dist Pune and registered mortgage of Flat in the name of one of the subsidiaries.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

ii. Short term rupee borrowings availed from HDFC Bank

First Pari Pasu charge on all current assets & Book Debts, First Pari Pasu charge on all movable Fixed Assets, First Pari Pasu charge on all Factory Land and Building & on Immovable Fixed assets of one of the subsidiaries.

ECB Loans

1. First pari-passu charge by way of mortgage/hypothecation on all immovable/movable properties of the Company both present & future except assets at Panchaganga and Haldia which are exclusively charged against non convertible debentures.
2. First pari-passu charge for ECB Lender on all the current assets of the Company both present and future.

Note C: Corporate guarantee

Wilmar International Ltd. has extended the corporate guarantee towards term loan extended by First Abu Dhabi Bank, Standard Chartered Bank and working capital loans (refer note 19) extended by Bank of America, Standard Chartered Bank, Ratnakar Bank Limited and DBS Bank India Limited aggregating to INR 20,700 million (31st March 2022: INR 17,200 million) .

The non convertible debentures are secured by corporate guarantee given by Wilmar International Limited.

Note D: The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Note E: Short term borrowings availed by the Group from IDBI Bank Limited is on the basis of security of current assets of one of the subsidiaries within the Group.

Note 16: Lease liabilities

	As at 31 st March 2023	As at 31 st March 2022
Current*	11.83	11.74
Non- current*	188.48	178.30
	200.31	190.04

* For further information refer note 47

Note 17: Net employee benefit liabilities (non-current)

	As at 31 st March 2023	As at 31 st March 2022
Provision for employee benefits:		
Provision for gratuity (refer note 38)	244.96	172.93
Provision for leave encashment	108.44	79.59
	353.40	252.52

Note 18: Government grants

	As at 31 st March 2023	As at 31 st March 2022
Current	141.56	106.75
Non-current	303.52	309.78
	445.08	416.53

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

The government grant has been recognised on the interest subvention receivable by the Group under the Scheme for Extending Financial Assistance to Sugar Mills for Enhancement and Augmentation of Ethanol Production Capacity, approved by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution).

Note 19: Borrowings (current)

	As at 31 st March 2023	As at 31 st March 2022
Secured :*		
Current maturity of long-term borrowings (refer note 15)	118.93	628.34
Working capital from banks:		
Rupee borrowings	58.00	107.03
Unsecured :		
Working capital from banks:		
Rupee borrowings**	9,668.31	12,227.88
Foreign Currency borrowings**	1,027.81	-
Current maturity of long-term borrowings (refer note 15)	1,671.99	902.48
Working capital borrowings		
Borrowings from Wilmar Sugar Holdings Pte. Ltd.***	12,360.30	10,719.24
	24,905.34	24,584.97

*refer note B of note 15 for details of security.

**refer note C of note 15 for details of corporate guarantee.

***payable to related parties amounting to INR 12,360.30 million (31st March 2022: INR 10,719.24 million) (refer note 39).

Note 20: Trade payables

	As at 31 st March 2023	As at 31 st March 2022
Payables to others#*	6,381.21	9,317.62
Payables to related parties (refer note 39)	16,769.47	11,078.17
	23,150.68	20,395.79

#Terms and conditions of the above financial liabilities:

Trade payables have credit period in range of 0 to 180 days and certain trade payable carry interest from BL date for payments.

For terms and conditions with related parties, refer note 39 (A)

For explanations on the Group's liquidity risk management processes, refer note 43.

Trade payable includes liabilities in relation to H&T payables for which SRSL has provided corporate guarantee to RBL Bank Limited of INR 2,000 million. The outstanding payable in relation to H&T payables is INR 1,290.82 million.

*The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	As at 31 st March 2023	As at 31 st March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	130.04	23.57
- Interest due on above	1.61	0.03
Total	131.65	23.60
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.61	0.03
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	1.61	0.03

Trade payables Ageing Schedule

	As at 31 st March 2023	As at 31 st March 2022
Outstanding for following periods from due date of payment		
i. MSME :		
Less than 1 year	131.65	23.60
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	131.65	23.60
ii. Others :		
Less than 1 year	22,223.98	19,813.41
1-2 years	447.38	349.82
2-3 years	290.20	103.69
More than 3 years	57.47	105.27
	23,019.03	20,372.19
iii. Disputed dues (MSMEs) :		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
iv. Disputed dues (Others) :		
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
Total :		
Less than 1 year	22,355.63	19,837.01
1-2 years	447.38	349.82
2-3 years	290.20	103.69
More than 3 years	57.47	105.27
	23,150.68	20,395.79

There are no "unbilled" trade payables, hence the same are not disclosed in the ageing schedule. Less than 1 year includes "Not due" trade payables of INR 14,208.86 million (31st March 2022: 3,729.42 million).

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 21: Other current financial liabilities

	As at 31 st March 2023	As at 31 st March 2022
Interest accrued but not due on borrowings#	444.89	761.00
Interest accrued on others*	533.21	529.74
Unclaimed dividend	0.02	0.02
Derivative liabilities	271.67	-
Salaries payable	72.72	60.49
Other payables**##	452.23	190.69
	1,774.74	1,541.94

Includes dues to affiliates INR 398.27 million (31st March 2022: INR 142.73 million) (refer note 39).

* Includes dues to affiliates INR 494.00 million (31st March 2022: INR 483.57 million) (refer note 39).

** Includes dues to affiliates INR 145.77 million (31st March 2022: INR 57.00 million) (refer note 39).

Includes advance from affiliates INR 1.60 million (31st March 2022: INR 4.93 million) (refer note 39).

Note 22: Other current liabilities

	As at 31 st March 2023	As at 31 st March 2022
Advance from customers*	1,507.01	539.88
Statutory dues payable	184.40	107.84
Other payables**	209.42	129.84
Provision for Onerous contracts	10.91	-
	1,911.74	777.56

* Includes advance received from related parties amounting to INR 129.32 million (31st March 2022: INR 135.47 million) (refer note 39).

** Includes due to Ultimate Holding Company Wilmar International Limited INR 170.55 million (31st March 2022: INR 12.74 million) and Holding Company INR Nil (31st March 2022: INR 49.28 million) (refer note 39).

Note 23: Net employee benefit liabilities (current)

	As at 31 st March 2023	As at 31 st March 2022
Provision for gratuity (refer note 38)	63.90	66.48
Provision for leave encashment	27.98	27.31
	91.88	93.79

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 24: Revenue from operations

	Year ended 31 st March 2023	Year ended 31 st March 2022
Revenue from contract with customers		
Sale of manufactured sugar	72,097.77	47,772.48
Sale of ethanol and allied products	11,977.27	9,493.77
Sale of traded sugar, coal and others	1,474.61	4,236.55
Sale of power	1,480.08	1,382.44
Sale of by-products and others	726.96	496.86
Sale of engineering products	2,277.16	303.35
Sale of services	36.44	60.19
	90,070.29	63,745.64
Other operating income		
Sales of scrap generated from operating activities	137.16	119.04
	90,207.45	63,864.68

Contract balances

Contract liability as at 31st March 2023 is INR 1,507.01 million (31st March 2022: INR 539.88 million).

Performance obligation

The performance obligation is satisfied upon delivery of the goods to customers and on performance of services.

Revenue by category of contracts:

	Year ended 31 st March 2023	Year ended 31 st March 2022
Over a period of time basis	1,959.25	379.80
At a point-in-time basis	88,111.04	63,365.84
Total revenue from contracts with customer	90,070.29	63,745.64

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	Year ended 31 st March 2023	Year ended 31 st March 2022
Revenue as per contracted price	90,218.61	63,885.31
Less: Discount	(67.98)	(60.10)
Less: Trade promotion expenses	(80.34)	(79.57)
Revenue from contract with customers	90,070.29	63,745.64

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Revenue from operations - Segment for the year ended 31 st March 2023							
Type of goods or services	Sugar-milling	Sugar-refinery	Trading	Co-generation	Distillery Engineering	Other Eliminations	Total
Sale of manufactured sugar	15,761.76	56,336.01	-	-	-	-	72,097.77
Sale of ethanol and allied products	-	-	-	-	11,977.27	-	11,977.27
Sale of traded sugar, coal and others	-	-	1,474.61	-	-	-	1,474.61
Sale of power	-	150.35	-	1,329.73	-	-	1,480.08
Sale of by-products and others	338.42	269.11	-	15.98	-	103.45	726.96
Sale of engineering products	-	-	-	-	2,277.16	-	2,277.16
Sale of services	-	-	-	-	36.44	-	36.44
Inter-segment sales	13,324.59	1,239.53	-	3,073.20	2,285.79	(19,923.11)	-
Total revenue from contract with customers including intersegment sales	29,424.77	57,995.00	1,474.61	4,418.91	11,977.27	103.45	90,070.29
Other operating income							
Sales of scrap generated from operating activities	-	-	-	-	-	137.16	137.16
Revenue from operations	29,424.77	57,995.00	1,474.61	4,418.91	11,977.27	240.61	90,207.45
Revenue from operations for the year ended 31 st March 2023							
Type of goods or services	Sugar-milling	Sugar-refinery	Trading	Co-generation	Distillery Engineering	Other Eliminations	Total
India	13,876.95	885.57	59.00	1,345.71	11,977.27	103.45	29,186.20
Outside India	2,223.23	55,869.90	1,415.61	-	1,375.35	-	60,884.09
Inter-segment sales	13,324.59	1,239.53	-	3,073.20	2,285.79	(19,923.11)	-
Total revenue from contract with customers including intersegment sales	29,424.77	57,995.00	1,474.61	4,418.91	11,977.27	103.45	90,070.29
Other operating income							
India	-	-	-	-	-	137.16	137.16
Revenue from operations	29,424.77	57,995.00	1,474.61	4,418.91	11,977.27	240.61	90,207.45

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Revenue from operations - Segment for the year ended 31st March 2022

Type of goods or services	Sugar-milling	Sugar-refinery	Trading	Co-generation	Distillery	Engineering	Other Eliminations	Total
Sale of manufactured sugar	12,371.41	35,401.07	-	-	-	-	-	47,772.48
Sale of ethanol and allied products	-	-	-	-	9,493.77	-	-	9,493.77
Sale of traded sugar, coal and others	-	-	4,236.55	-	-	-	-	4,236.55
Sale of power	-	115.36	-	1,267.08	-	-	-	1,382.44
Sale of by-products and others	258.42	143.71	0.81	7.25	-	-	86.67	496.86
Sale of engineering products	-	-	-	-	-	303.35	-	303.35
Sale of services	-	-	-	-	-	60.19	-	60.19
Inter-segment sales	14,989.11	3,202.37	-	2,830.49	-	1,549.37	(22,571.34)	-
Total revenue from contract with customers including intersegment sales	27,618.94	38,862.51	4,237.36	4,104.82	9,493.77	1,912.91	86.67	63,745.64

Other operating income

Sales of scrap generated from operating activities	-	-	-	-	-	-	119.04	-	119.04
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Revenue from operations	27,618.94	38,862.51	4,237.36	4,104.82	9,493.77	1,912.91	205.71	(22,571.34)	63,864.68
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Revenue from operations for the year ended 31st March 2022

Type of goods or services	Sugar-milling	Sugar-refinery	Trading	Co-generation	Distillery	Engineering	Other Eliminations	Total	
India	12,450.43	541.46	49.52	1,274.33	9,493.77	100.52	86.67	23,996.70	
Outside India	179.40	35,118.68	4,187.84	-	-	263.02	-	39,748.94	
Inter-segment sales	14,989.11	3,202.37	-	2,830.49	-	1,549.37	(22,571.34)	-	
Total revenue from contract with customers including intersegment sales	27,618.94	38,862.51	4,237.36	4,104.82	9,493.77	1,912.91	86.67	(22,571.34)	63,745.64

Other operating income

India	-	-	-	-	-	-	119.04	-	119.04
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Revenue from operations	27,618.94	38,862.51	4,237.36	4,104.82	9,493.77	1,912.91	205.71	(22,571.34)	63,864.68
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Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the year:

	As at 1 st April, 2022	As at 1 st April, 2021
Unearned revenue	-	-
Customer Advance	539.88	442.40

Changes in unbilled revenue and unearned revenue for the year:

	Year ended 31 st March 2023	Year ended 31 st March 2022
Opening unbilled revenue (refer note 9)	-	-
Opening unearned revenue (refer note 22)	-	-
Transfer of contract assets to receivable from opening unbilled revenue	-	-
Decrease in revenue as a result of changes in the measure of progress	40.13	-
Increase in revenue as a result of changes in the measure of progress from the opening unearned revenue	-	-
Transfer of contract assets to receivable	-	-
Increase in revenue as a result of changes in the measure of progress	374.89	-
Others*	10.92	-
Closing unbilled revenue (refer note 9)	385.81	-
Closing unearned revenue (refer note 22)	40.13	-

* includes adjustments on account of onerous contracts,

Note 25: Other income

	Year ended 31 st March 2023	Year ended 31 st March 2022
Other non-operating income:		
Excess provision of earlier years written back*	321.80	171.32
Government assistance	115.06	81.47
Dividend on investments	1.51	1.92
RODTEP scrip income	191.78	58.40
Insurance claim received	9.28	220.38
Income from services provided to related parties	55.21	
Less: Expenses pertaining to services provided	(47.45)	4.41
Miscellaneous income	186.02	134.07
Finance income:		
Interest on financial assets carried at amortized cost and others	24.69	18.13
	857.90	690.10

*In the current year, excess provision written back includes interest provision written back of INR 311.42 million on restructuring of non-convertible debentures (Refer Note 15).

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 26: Cost of raw materials consumed

	Year ended 31 st March 2023	Year ended 31 st March 2022
a. Raw material consumed		
i. Raw-sugar and white sugar		
Opening stock	3,490.17	5,227.20
Add: Purchases	50,576.97	23,674.75
Less: Closing stock	(4,125.93)	(3,490.17)
	49,941.21	25,411.78
ii. Sugar cane		
Opening stock	0.03	-
Add: Purchases	20,248.65	21,549.57
Less: Closing stock	-	(0.03)
	20,248.68	21,549.54
iii. Molasses, DNA, MGA and Rectified Spirit		
Opening stock	440.53	325.71
Add: Purchases	468.31	570.88
Less: Closing stock	(597.03)	(440.53)
	311.81	456.06
b. Other materials consumed		
i. Coal and Bagasse		
Opening stock	355.00	313.95
Add: Purchases	882.43	743.32
Less: Closing stock	(324.43)	(355.00)
	913.00	702.27
ii. Others		
Opening stock	2.34	4.50
Add: Purchases	5.66	2.97
Less: Closing stock	(1.38)	(2.34)
	6.62	5.13
iii. Engineering Division		
Opening stock	156.40	34.97
Add: Purchases	1,255.91	546.15
Less: Closing stock	(138.77)	(156.40)
	1,273.54	424.72
	72,694.86	48,549.50

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 27: Purchase of traded goods

	Year ended 31 st March 2023	Year ended 31 st March 2022
Raw-sugar and White-sugar	207.40	781.31
Coal and others	18.91	34.00
	226.31	815.31

Note 28: (Increase)/decrease in inventories of finished goods, work-in-progress and intermediate products and traded goods

	Year ended 31 st March 2023	Year ended 31 st March 2022
Opening stock		
Work-in-progress and Intermediate products	4,633.02	1,659.77
Finished goods	11,123.09	16,224.00
Traded goods	-	106.70
(A)	15,756.11	17,990.47
Closing stock		
Work-in-progress and Intermediate products	2,514.63	4,633.02
Finished goods	14,414.19	11,123.09
(B)	16,928.82	15,756.11
(A-B)	(1,172.71)	2,234.36

Note 29: Employee benefit expenses

	Year ended 31 st March 2023	Year ended 31 st March 2022
Salaries, wages and bonus	1,448.02	1,231.21
Contribution to provident and other funds	81.77	78.10
Gratuity expenses (refer note 38)	36.18	33.69
Staff welfare expenses	101.06	74.17
	1,667.03	1,417.17

Note 30: Depreciation and amortisation expenses

	Year ended 31 st March 2023	Year ended 31 st March 2022
Depreciation of tangible assets (refer note 3(a))	2,235.89	1,945.66
Amortisation of right of use assets (refer note 3(a))	135.06	127.40
Amortisation of intangible assets (refer note 3(b))	5.58	6.08
	2,376.53	2,079.14

Note 31: Foreign exchange loss

	Year ended 31 st March 2023	Year ended 31 st March 2022
Foreign exchange loss unrealised	58.04	198.59
Foreign exchange loss realised	643.04	153.55
	701.08	352.14

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 32: Finance costs

	Year ended 31 st March 2023	Year ended 31 st March 2022
Interest on :		
Term loans	163.97	181.77
External commercial borrowings	2,362.92	1,703.20
Working capital	949.93	1,002.12
Debentures	195.13	251.59
Others :		
Interest on others	1,740.30	534.84
Interest expenses on lease liabilities	19.69	16.51
Loan processing charges and other charges	133.72	124.64
Corporate guarantee fees	186.94	-
	5,752.60	3,814.67
Unwinding of interest on borrowings at concessional rate	161.39	111.54
	5,913.99	3,926.21

Note 33: Other expenses

	Year ended 31 st March 2023	Year ended 31 st March 2022
Consumption of stores and spares	825.04	757.11
Consumption of chemicals, consumables, oil and lubricants	772.94	546.04
Outsourced service cost	962.07	554.32
Consultancy services	64.13	4.77
Sugar house loading, un-loading and handling charges	269.88	227.94
Consumption of packing materials	1,157.45	995.42
Power and fuel	1,794.57	1,036.25
Rent	8.26	6.57
Repairs and maintenance:		
Plant and machinery	384.08	379.32
Buildings	10.79	10.06
Others	86.74	64.76
Rates and taxes	45.64	35.30
Insurance	90.12	115.05
Travelling and conveyance	35.78	22.09
Printing and stationery	16.19	11.16
Communication expenses	9.96	7.78
Legal and professional fees	373.49	108.39
Directors' sitting fees (refer note 39 (B))	20.65	1.80
Payment to auditors	19.77	20.17
Impairment of financial assets	156.22	188.91
Expected credit loss on trade receivables	45.48	62.56

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Year ended 31 st March 2023	Year ended 31 st March 2022
Property, plant and equipment written off	5.66	35.41
Safety and security expenses	88.72	79.29
Donations and contributions	1.08	1.17
CSR Expenditure	11.33	4.94
Loss on sale of property, plant and equipment (net)	19.51	3.27
Loss on derivatives contracts	245.34	77.43
Freight and forwarding charges (including demurrage expenses)	2,430.76	1,251.96
Advertisement and sales promotion	213.70	193.66
Brokerage and discounts	35.61	13.39
Miscellaneous expenses	252.95	211.98
	10,453.91	7,028.27

Note 34: Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the loss attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects loss and share data used in the basic and diluted EPS computations:

	Year ended 31 st March 2023	Year ended 31 st March 2022
Loss attributable to equity holders of the parent for calculation of basic and diluted earnings per share	(1,969.70)	(1,385.41)
Total net loss attributable to equity shareholders	(1,969.70)	(1,385.41)
Weighted average number of equity shares for basic and diluted EPS**	2,128,489,773	2,128,489,773
Earnings Per Share		
Earning per share towards parent - Basic	(0.93)	(0.65)
Earning per share towards parent - Diluted	(0.93)	(0.65)

**Weighted average number of equity shares takes into account the weighted average effect of changes in share transactions during the year(if any).

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 35: Investment in an associate

The Group has a 17.12% interest in Shree Renuka Global Ventures Ltd, Mauritius, which further holds investment in Shree Renuka do Brasil Participacoes Ltda, Brazil which is involved in the manufacture of Sugar, power, Ethanol and allied products in Brazil. Shree Renuka Global Ventures Ltd, Mauritius is not listed on any public exchange. The Group's interest in Shree Renuka Global Ventures Ltd, Mauritius is accounted for using the equity method in the consolidated financial statements. The share of losses is restricted to the extent of Group's interest in the associate.

The following table illustrates the summarised financial information of the associate and Group's investment in Shree Renuka Global Ventures Ltd, Mauritius:

	As at 31 st March 2023	As at 31 st March 2022
Current assets	1,736.71	3,032.84
Non-current assets	24,566.99	23,314.36
Total assets	26,303.70	26,347.20
Current liabilities	19,179.83	69,540.16
Non-current liabilities	70,896.33	33,512.66
Equity	(63,772.46)	(76,705.62)
Total equity and liabilities	26,303.70	26,347.20
Group's share in equity restricted to the value of group's interest in associates (refer note 4)	(0.31)	(0.31)
Group's carrying amount of the investment (refer note 4)	-	-
	Year ended 31 st March 2023	Year ended 31 st March 2022
Income		
Revenue from operations	19,915.98	13,491.47
Other income	10,551.82	5,994.88
Total income	30,467.80	19,486.35
Expenses		
Cost of raw materials consumed	19,663.31	10,975.81
Finance costs	1,435.29	2,060.96
Other expenses	232.55	1,161.79
Total expenses	21,331.15	14,198.56
Profit before tax	9,136.65	5,287.79
Tax income	4,295.16	69.83
Profit after tax	13,431.81	5,357.62
Other comprehensive income	-	-
Total comprehensive income	13,431.81	5,357.62
Group's share of profit for the year	-	-

Though the associate has earned profit after tax in current year and previous year, since the accumulated losses are higher than the Group's investment in associate and thus, no profit pick-up entry has been considered during the year.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 36: Commitment and contingencies

a) Capital commitments

Outstanding commitments of the Company are as follows:

Outstanding commitments	As at 31 st March 2023	As at 31 st March 2022
Estimated value of contract pending for execution on capital account	494.48	1,072.11

Capital advances of INR 48.70 million (31st March 2022: INR 195.76 million) is paid against the pending contracts (refer note 6).

b) Guarantees

Outstanding guarantees of the Company are as follows:

Outstanding Guarantees	As at 31 st March 2023	As at 31 st March 2022
Bank guarantee	495.60	341.55
Corporate guarantee	606.40	130.00
Letter of Credit	7.85	77.99

Note 37: Contingent liabilities

Liabilities classified and considered contingent due to contested claims and legal disputes

	As at 31 st March 2023	As at 31 st March 2022
Income Tax Demands (refer note (i) below)	77.89	77.88
Excise and Service Tax Demands (refer note (ii) below)	2,530.50	1,263.13
Sales Tax/VAT Demands (refer note (iii) below)	37.68	38.51
GST (refer note (iv) below)	48.92	48.92
Customs Demand (refer note (v) below)	2,212.68	1,461.33
Litigations related to erstwhile Brazilian subsidiaries (refer note (vi) below)	53.96	53.21
Other Matters (refer note (vii) below)	536.54	542.01
Total	5,498.17	3,484.99

- Disputes pertaining to loan received by subsidiary added as income in computation by department against which appeal has been filed by the subsidiary and case is pending with CIT(A).
- Disputes pertaining to denial of cenvat credit on sugar cess, denial of cenvat credit on certain items used for fabrication of machinery, or for laying of machinery foundation or making of capital goods, 6% demand under Rule 6(3) of the CENVAT Credit Rules, cenvat credit disallowed due to invoices being in the name of the head office and credit availed at plants and other matters.
- Disputes related to disallowance of input tax credit due to mismatch in forms filed and retention of input tax credit by assuming dealers holding license to generate, distribute or transmit electricity and other matters.
- Disputes related to disallowance of common credit as per rule 42 of CGST Rules, 2017.

During the previous year, the Group received a show cause notice (SCN) from GST Department on completion of departmental audit for financial year 2017-18 for non-levy of GST on supply of Extra Neutral Alcohol to liquor manufacturing companies. The Group has obtained a stay order from Karnataka High Court against said SCN, the matter is pending before court as department has not yet filed any objections against said writ petitions in spite of

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specific directions from the court.

Litigation pertaining to short sanction of GST refund claim have not been considered as contingent liability, since the Group would get credit in electronic ledger for the amount of refund that is rejected and thus, there would be no loss of asset for the Group on the outcome of this litigation, i.e., the Group would either get the refund or the Company would retain the credit in the electronic ledger.

- v. Disputes related to penalty levied for non-payment of Special Additional Duty (SAD) at the time of import of goods (which was subsequently paid by the Group along with interest) and duty levied on the imported goods on the context of wrong classification / availing incorrect exemption.
- vi. These litigations related to erstwhile Brazilian subsidiaries pertains to labour litigations of these erstwhile subsidiaries in which the Group or the Wilmar Group has been made a party, on account of economic group concept considered in the Lower Court of Brazil. The Group has paid deposits of INR 154.30 million as at 31st March 2023 (31st March 2022: INR 104.26 million) for contesting the order in Higher Courts in Brazil and this deposit paid has been grouped under "Amount paid under protests to government authorities" in the balance sheet. This balance is fully impaired in the books of accounts as at 31st March 2023.
- vii. Other matters mainly consist of litigations related to claims filed against customers / vendors for recovery of receivable / advance balances and other legal suites.
- viii. During the year ended 31st March 2023, Cane Commissioner of Karnataka issued orders directing all sugar mills in the state of Karnataka to make payments to sugarcane farmers at additional rates over and above the Fair Remunerative Price (FRP) announced by the Central Government as follows:
 - a. INR 100/MT for sugarcane supplied to mills without distillery
 - b. INR 150/MT for sugarcane supplied to mills with distillery

The Group along with others has filed a writ petition in Karnataka High Court against the order of the Cane Commissioner. Based on legal opinion obtained by the Group, management believes that the Group has merits and accordingly, no impact has been considered in the consolidated financial results in respect of this matter.

Note 38: Defined benefit plans

The Group has a defined benefit gratuity plan. The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Risk to the plan

Following risks are associated with the plan:

A. Actuarial risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse salary growth experience: Salary hikes that are higher than the assumed salary escalation will result into

Notes to Consolidated Financial Statements

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an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption, then the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption, then the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Group there can be strain on the cash flows.

D. Market risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Actuarial assumptions

Key actuarial assumptions are given below:

Discount rate:

The rate used to discount long term employee benefit obligation (both funded and unfunded) is determined by reference to market yield at the balance sheet date on high quality government bonds. In countries where there is no deep market in such bonds the market yields (at the balance sheet date) on government bonds is used. The currency and term of the corporate bond or government bond is consistent with currency and estimated term of the post-employment benefit obligation.

Salary growth rate:

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This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Rate of return on plan assets:

This assumption is required only in case of funded plans. Interest income on plan assets is calculated using the rate used to discount the defined benefit obligation.

Mortality:

This assumption is based on the standard published mortality table without any adjustment.

Withdrawal rates:

This is Management's estimate of the level of attrition in the Group over the long term. Estimated withdrawal rates takes into account the broad economic outlook, type of sector the Group operates in and measures taken by the management to retain/ relieve the employees.

Sr. No.	Particulars	Gratuity Benefits	
		31 st March 2023	31 st March 2022
1	Change in benefit obligation		
	Opening defined benefit obligation	327.89	318.05
	Current service cost	22.55	22.19
	Interest cost	19.85	17.97
	Actuarial gain due to change in financial assumptions	44.36	(7.82)
	Actuarial gain due to change in demographic assumption	7.01	(0.24)
	Actuarial loss/(gain) due to experience	3.23	11.35
	Benefits paid	(34.75)	(33.61)
	Closing defined benefit obligation	390.14	327.89
2	Change in plan assets		
	Opening value of plan assets	88.48	94.94
	Interest income	6.22	6.47
	Return on plan assets excluding amounts included interest income	(0.19)	(2.08)
	Contributions by employer	0.28	0.42
	Benefits paid	(13.51)	(11.27)
	Closing value of plan assets	81.28	88.48
3	Fund status of plan (assets)/liability		
	Present value unfunded obligations	178.59	175.88
	Present value funded obligations	211.55	152.01
	Fair value of plan assets	(81.28)	(88.48)
	Net liability (refer note 17 and 23)	308.86	239.41
4	Other comprehensive loss for the current period		
	Due to change in financial assumptions	44.36	(7.82)
	Due to change in demographic assumption	7.01	(0.24)
	Due to experience adjustments	3.23	11.35

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for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Sr. No.	Particulars	Gratuity Benefits	
		31 st March 2023	31 st March 2022
	Return on plan assets excluding amounts included in interest income	0.38	2.08
	Amounts recognized in other comprehensive income	54.98	5.37
5	Expenses for the current period		
	Current service cost	22.55	22.19
	Interest cost (net of interest income on planned assets)	13.63	11.50
	Amount recognized in expenses (refer note 29)	36.18	33.69
6	Defined benefit liability		
	Net opening provision in books of accounts	239.41	223.11
	Employee Benefit Expense	35.98	33.69
	Amounts recognized in Other Comprehensive Income	54.98	5.37
	Contributions to plan assets	(0.27)	(0.42)
	Benefits paid by the Company	(21.24)	(22.34)
	Closing provision in books of accounts	308.86	239.41
7	Composition of the plan assets		
	Policy of insurance	100%	100%
	Total	100%	100%
8	Principal Actuarial Assumption		
	Discount rate	7.30% to 7.50%	5.45% to 7.26%
	Salary Growth rate	8%	5%
	Withdrawal Rates	5% at younger ages reduced to 1% at older ages and 26% for Engineering division	5% at younger ages reduced to 1% at older ages and 21% for Engineering division
9	Maturity Profile of Defined Benefit Obligation		
	Expected Future Cash flows		
	Year 1	84.31	79.87
	Year 2	35.03	30.36
	Year 3	29.43	30.35
	Year 4	38.58	26.03
	Year 5	37.43	32.78
	Year 6 to 10	149.55	119.30
	Above 10 Years	345.38	236.57
	Average Expected Future Working Life (Years)	8.38	8.69
10	Sensitivity to key assumptions*		
	Discount rate Sensitivity		
	Increase by 0.5%	374.26	317.15
	(% change)	-4.07%	-3.50%
	Decrease by 0.5%	398.27	336.00
	(% change)	2.08%	2.23%
	Salary growth rate Sensitivity		

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for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Sr. No.	Particulars	Gratuity Benefits	
		31 st March 2023	31 st March 2022
	Increase by 0.5%	397.04	335.14
	(% change)	1.77%	1.97%
	Decrease by 0.5%	375.20	317.87
	(% change)	-3.83%	-3.29%
11	Expected contributions to the defined benefit plan in next years	23.53	14.88

***A description of methods used for sensitivity analysis and its limitations:**

Sensitivity analysis performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 39: Related party transactions

(a) Ultimate Holding Company :

- 1 Wilmar International Limited

(b) Holding Company :

- 1 Wilmar Sugar Holdings Pte. Ltd.

(c) Affiliate Companies :

- 1 Adani Wilmar Limited
- 2 Wilmar Sugar Pte. Ltd.
- 3 Wilmar Sugar India Private Limited
- 4 Wilmar Agri Trading DMCC
- 5 Jawanani Rafinasi (JMR)
- 6 BIDCO Uganda Limited
- 7 MW Rice Millers Limited
- 8 SANIA Cie
- 9 Ghana Speciality Fats Industries Ltd.
- 10 Repli Soap and Detergent PLC
- 11 PT Duta Sugar International
- 12 Wilmar Africa Limited
- 13 LLC Delta Wilmar
- 14 Wilmaco Food Industries
- 15 Wilmar Processing SA (PTY) Ltd.
- 16 Global Industries Limited
- 17 PT Multi Nabati Sulawesi
- 18 Wilmar Edible Oils Philippines, INC
- 19 PT Wilmar Nabati
- 20 Wilmar SA PTY Ltd
- 21 PT Wilmar Bioenergi

(d) Associate Companies :

- 1 Shree Renuka Global Ventures Limited
- 2 Shree Renuka do Brazil Participacoes Ltda
- 3 Renuka Vale do Ivaí S/A
- 4 Renuka do Brasil S/A
- 5 Shree Renuka Sao Paulo Participacoes Ltda

(e) The Trustees Shree Renuka Sugars Limited

(f) Key managerial personnel

- 1 Mr. Atul Chaturvedi - Executive Chairman
- 2 Mr. Vijendra Singh - Executive Director and Dy. CEO
- 3 Mr. Ravi Gupta - Executive Director (w.e.f. 28th October 2021)
- 4 Mr. Sunil Ranka - Chief Financial Officer
- 5 Mr. Deepak Manerikar - Company Secretary

(h) Additional related parties as per the Companies Act, 2013 :

- 1 Mr. Kuok Khoo Hong - Non-Executive Director
- 2 Mr. Jean-Luc Bohbot - Non-Executive Director
- 3 Mr. Charles Loo Cheau Leong - Non-Executive Director
- 4 Mr. Madhu Rao - Independent Director
- 5 Dr. B. V. Mehta - Independent Director
- 6 Ms. Priyanka Mallick - Independent Director
- 7 Mr. Arun Chandra Verma - Independent Director (Wef 1st April 2022)
- 8 Mr. Seetharaman Sridharan - Independent Director (Wef 9th August 2022)
- 9 Mr. Siraj Hussain - Independent Director (Wef 9th August 2022)
- 10 Mr. TK Kanan (Alternate Director to Mr. Hong) (Wef 19th May 2022)
- 11 Mr. Dorab Mistry - Independent Director (Upto 21st August 2022)
- 12 Mr. Bhupatrai Premji - Independent Director (Upto 21st August 2022)
- 13 Mr. Surender Kumar Tuteja - Independent Director (Upto 31st March 2022)

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A. Transactions with related parties

Sr No	Particulars	As at and year ended	Sales*	Purchases of goods and services**	Rental income/ other income	Interest expense on advances and others	Interest waiver	Loans and advance (received)/ repaid	Advance received for supply of goods / services	Advance given for supply of goods	Interest on ECB loan and commitment fees
(a) Ultimate Holding Company :											
i	Wilmar International Limited	31 March 2023	-	33.26	55.20	186.94	-	-	-	-	-
		31 March 2022	-	14.27	51.37	-	-	-	-	-	-
(b) Holding Company :											
i	Wilmar Sugar Holdings Pte. Ltd.	31 March 2023	-	-	-	480.46	175.83	(698.69)	-	-	1,531.68
		31 March 2022	-	-	-	170.04	-	(4,019.82)	-	-	779.00
(c) Affiliate Companies :											
i	Adani Wilmar Limited	31 March 2023	762.58	-	-	-	-	-	8.41	-	-
		31 March 2022	692.78	-	-	-	-	-	1.32	-	-
ii	Wilmar Sugar Pte. Ltd.	31 March 2023	45,838.70	19,895.12	6.35	704.01	111.14	-	6,487.38	-	-
		31 March 2022	20,708.42	4,906.04	0.20	429.15	-	54.87	2,181.78	-	-
iii	Wilmar Sugar India Private Limited	31 March 2023	-	29,986.98	87.15	321.03	-	-	-	4,247.30	-
		31 March 2022	-	17,335.87	64.20	61.49	-	-	-	2,313.40	-
iv	Wilmar Agri Trading DMCC	31 March 2023	-	-	2.08	-	-	-	-	-	-
		31 March 2022	-	-	1.93	-	-	-	-	-	-
v	Javananis Rafinasi (JMR)	31 March 2023	51.13	-	-	-	-	-	115.41	-	-
		31 March 2022	48.46	-	-	-	-	-	20.88	-	-
vi	BIDCO Uganda Limited	31 March 2023	11.75	-	-	-	-	-	10.38	-	-
		31 March 2022	9.14	-	-	-	-	-	10.29	-	-
vii	MW Rice Millers Limited	31 March 2023	1.67	-	-	-	-	-	0.09	-	-
		31 March 2022	3.26	-	-	-	-	-	4.63	-	-
viii	SANIA Ole	31 March 2023	1.19	-	-	-	-	-	14.14	-	-
		31 March 2022	0.57	-	-	-	-	-	0.57	-	-
ix	Ghana Speciality Fats Industries Ltd.	31 March 2023	-	-	-	-	-	-	-	-	-
		31 March 2022	8.98	-	-	-	-	-	5.76	-	-
x	Wilmar Africa Limited	31 March 2023	35.26	-	-	-	-	-	26.03	-	-
		31 March 2022	-	-	-	-	-	-	8.97	-	-
xi	Repl Soap and Detergent PLC	31 March 2023	-	-	-	-	-	-	-	-	-
		31 March 2022	11.60	-	-	-	-	-	16.83	-	-
xii	PT DUTA Sugar International	31 March 2023	0.40	-	-	-	-	-	-	-	-
		31 March 2022	2.42	-	-	-	-	-	1.68	-	-
xiii	Global Industries Limited	31 March 2023	67.06	-	-	-	-	-	39.40	-	-
		31 March 2022	-	-	-	-	-	-	15.34	-	-
xiv	Wilmaco Food Industries	31 March 2023	5.93	-	-	-	-	-	-	-	-
		31 March 2022	-	-	-	-	-	-	1.08	-	-

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Sr No	Particulars	As at and year ended	Sales*	Purchases of goods and services#	Rental income/ other income	Interest expense on advances and others	Interest waiver	Loans and advance (received)/ repaid	Advance received for supply of goods / services	Advance given for supply of goods	Interest on ECB Loan and commitment fees
xv	Wilmar Processing SA (PTY) Ltd.	31 March 2023 31 March 2022	195.44 68.39	- -	- -	- -	- -	35.47 157.55	- -	- -	- -
xvi	LLC Delta Wilmar	31 March 2023 31 March 2022	2.95 -	- -	- -	- -	- -	1.49 1.40	- -	- -	- -
xvii	PT Multi Nabati Sulawesi	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	1.50 -	- -	- -	- -
xviii	Wilmar Edible Oils Philippines, INC	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	0.29 -	- -	- -	- -
xix	PT Wilmar Nabati	31 March 2023 31 March 2022	0.11 -	- -	- -	- -	- -	- -	- -	- -	- -
xx	Wilmar SA PTY Ltd	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	7.28 -	- -	- -	- -
xxi	PT Wilmar Bioenergi	31 March 2023 31 March 2022	- -	- -	- -	- -	- -	2.62 -	- -	- -	- -

* Amounts are excluding GST.

includes services received from related parties which are disclosed under other expenses.

Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

Corporate guarantees:

The Company has obtained corporate guarantees from Wilmar International Limited amounting to INR 20,700 million (31st March 2022: INR 17,200 million) towards term loan and working capital limits extended by Banks to Shree Renuka Sugars Limited.

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Details of amount receivable from related parties as at 31st March 2023 and 31st March 2022 are as follows:

Particulars	Amount receivable from related party (gross of impairment allowance, if any)		Impairment allowance		Net carrying amount	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Loans (refer note 4 (b))						
Associate Companies :						
Shree Renuka do Brazil Participacoes Ltda	5,285.58	5,285.58	5,285.58	5,285.58	-	-
Renuka vale do Ivaí S/A	2,882.52	2,882.52	2,882.52	2,882.52	-	-
Renuka do Brazil S/A	5,556.26	5,556.26	5,556.26	5,556.26	-	-
Shree Renuka Sao Paulo Participacoes Ltda	1,833.11	1,833.11	1,833.11	1,833.11	-	-
Shree Renuka Global Ventures Ltd.	30.79	30.79	30.79	30.79	-	-
	15,588.26	15,588.26	15,588.26	15,588.26	-	-
Trade receivables (refer note 9)						
Affiliate Companies :						
Adani Wilmar Limited	52.77	53.37	-	-	52.77	53.37
Ghana Speciality Fats Industries Ltd.	-	3.21	-	-	-	3.21
BIDCO Uganda Limited	2.03	0.91	-	-	2.03	0.91
Jawanis Rafinasi (JMR)	23.19	26.99	-	-	23.19	26.99
MW Rice Millers Limited	-	2.90	-	-	-	2.90
Repi Soap and Detergent PLC	-	5.14	-	5.14	-	-
Wilmar Sugar Pte. Ltd.	152.44	1,000.44	-	-	152.44	1,000.44
	230.43	1,092.96	-	5.14	230.43	1,087.82
Other current financial assets (refer note 12)						
Other receivables						
Ultimate Holding Company :						
Wilmar International Limited	17.91	10.60	-	-	17.91	10.60

Notes to Consolidated Financial Statements

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Particulars	Amount receivable from related party (gross of impairment allowance, if any)		Impairment allowance		Net carrying amount	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Affiliate companies :						
Wilmar Sugar India Private Limited	5.54	43.98	-	-	5.54	43.98
Wilmar Sugar Pte. Ltd.	43.68	-	-	-	43.68	-
	67.13	54.58	-	-	67.13	54.58
Other current assets (refer note 13)						
Associate Companies :						
Renuka vale do Ivai S/A	91.24	91.24	91.24	91.24	-	-
Affiliate Companies :						
Wilmar Sugar India Private Limited	354.57	71.91	-	-	354.57	71.91
	445.81	163.15	91.24	91.24	354.57	71.91

Impairment of amounts owed by related parties

During the year the Group has recorded impairment of amounts owed by related parties INR Nil (31st March 2022: INR 5.14 million).

As at 31st March 2023, the Group has accumulated impairment of INR 15,679.50 million (31st March 2022: INR 15,684.64 million) against total gross amount owed by related parties of INR 16,331.63 million (31st March 2022: INR 16,898.95 million).

This assessment is undertaken during each financial year through examining the financial position of the related party and the market in which the related party operates.

Details of amounts payable to related parties as at 31st March 2023 and 31st March 2022 are as follows:

	As at 31 st March 2023	As at 31 st March 2022
Borrowings (non-current) (refer note 15)		
Holding Company :		
Wilmar Sugar Holdings Pte. Ltd.	24,445.92	22,390.10
	24,445.92	22,390.10
Borrowings (current) (refer note 19)		
Holding Company :		
Wilmar Sugar Holdings Pte. Ltd.	12,360.30	10,719.24
	12,360.30	10,719.24
Trade payables (refer note 20)		
Affiliate Companies :		

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	As at 31 st March 2023	As at 31 st March 2022
Wilmar Sugar Pte. Ltd.	13,983.73	8,212.68
Wilmar Sugar India Private Limited	2,785.74	2,865.49
	16,769.47	11,078.17
Other current financial liabilities (refer note 21)		
Affiliate Company :		
Wilmar Sugar Pte. Ltd.	147.37	61.93
	147.37	61.93
Interest accrued on others		
Holding Company :		
Wilmar Sugar Holdings Pte. Ltd.	-	42.51
Affiliate Company :		
Wilmar Sugar Pte. Ltd.	442.85	441.06
Wilmar Sugar India Private Limited	51.15	-
	494.00	483.57
Interest accrued but not due on borrowings		
Holding Company :		
Wilmar Sugar Holdings Pte. Ltd.	398.27	142.73
	398.27	142.73
Other current liabilities (refer note 22)		
Other payables		
Holding Company :		
Wilmar Sugar Holdings Pte. Ltd.	-	49.28
	-	49.28
Advance from customers		
Affiliate Companies :		
Jawananis Rafinasi (JMR)	82.47	3.39
BIDCO Uganda Limited	4.32	4.60
SANIA Cie	12.98	-
PT Duta Sugar International	-	0.12
MW Rice Millers Limited	-	4.66
Ghana Speciality Fats Industries Ltd.	-	2.30
Wilmar Africa Limited	1.74	10.37
LLC Delta Wilmar	-	1.43
Wilmaco Food Industries	-	1.09
Wilmar Processing SA (PTY) Ltd.	-	91.85
Global Industries Limited	2.64	15.66
PT Multi Nabati Sulawesi	1.50	-
Wilmar Edible Oils Philippines, INC	0.29	-
Wilmar SA PTY Ltd	7.28	-
PT Wilmar Bioenergi	2.62	-
Wilmar Industries Zambia Ltd.	4.15	-
Adani Wilmar Limited	9.33	-
	129.32	135.47

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for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	As at 31 st March 2023	As at 31 st March 2022
Other payables		
Ultimate Holding Company :		
Wilmar International Limited	170.55	12.74
	170.55	12.74

B. Transactions with key managerial personnel Compensation of key managerial personnel*

	As at 31 st March 2023	As at 31 st March 2022
Short-term employee benefits	160.25	99.59
Contribution to provident fund	3.01	1.70
Sitting fees	20.65	1.80
Total	183.91	103.09

* Gratuity for Key managerial personnel is included in overall provision.

Note 40: Material partly owned subsidiaries

Financial information of Gokak Sugar Limited, subsidiary that has material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests as at 31st March 2023 and 31st March 2022:

Particulars	Gokak Sugars Limited
Proportion of non-controlling interest	6.36%
Country of incorporation and operations	India

Accumulated balance of material non-controlling interest

Particulars	As at 31 st March 2023	As at 31 st March 2022
Accumulated balance of material non-controlling interest	5.72	2.70
Profit allocated to material non-controlling interest	3.02	18.22

The summarised financial information of Gokak Sugars Limited is provided below. This information is based on amounts before inter-company eliminations

Summarised balance sheet

Particulars	As at 31 st March 2023	As at 31 st March 2022
Non-current assets	1,595.67	1,601.32
Current assets	542.44	772.89
Total Assets	2,138.11	2,374.21
Non-current liabilities	1,398.55	1,514.35
Current liabilities	560.31	726.15
Total Liabilities	1,958.86	2,240.50

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Summarised statement of profit and loss

Particulars	Year ended 31 st March 2023	Year ended 31 st March 2022
Total revenue	2,709.58	3,130.38
Less:		
Cost of goods sold	2,073.26	2,461.41
Finance Cost	182.93	162.22
Other expenses	389.00	338.61
Total cost	2,645.19	2,962.24
Profit before tax	64.39	168.14
Tax expenses	17.02	(118.33)
Profit after tax	47.37	286.47
Other comprehensive income	(1.85)	90.96
Total Comprehensive Income	45.52	377.43

Note 41: Hedging activities and derivatives

The Group has obtained External Commercial Borrowings (ECB) during the financial year ended 31st March 2021 from its Holding Company, Wilmar Sugar Holdings Pte. Ltd. amounting to USD 300 million. The Group is also exposed to certain foreign currency risks relating to its on-going business operations. The primary risks managed using derivative instruments are foreign currency risk.

The risk management strategy and how it is applied to manage risk are explained in note 43.

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 4 months .

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedges of outstanding ECB loan which has been denominated in USD.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange forward contracts match the terms of the hedged item. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

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The hedge ineffectiveness can arise from:

- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items.

The Group is holding the following foreign exchange forward contracts :

	Maturities		
	1 to 3 months	3 to 6 months	Total
As at 31st March 2022			
Foreign exchange forward contracts			
Notional amount (million INR)	-	22,945.13	22,945.13
Average forward rate (INR/USD)	-	76.48	
As at 31st March 2023			
Foreign exchange forward contracts			
Notional amount (million INR)	8,355.00	16,770.50	25,125.50
Average forward rate (INR/USD)	83.55	83.75	

The impact of the hedging instruments on the balance sheet is as follows :

	Maturities			
	Notional amount	Carrying amount	Line item in the balance sheet	Change in fair value used for measuring ineffectiveness for the period
As at 31st March 2022				
Foreign exchange forward contracts	22,945.13	(319.62)	Other current financial assets	735.39
As at 31st March 2023				
Foreign exchange forward contracts	25,125.50	1,074.24	Other current financial liabilities	1,957.57

The impact of hedged items on the balance sheet is as follows :

	Change in fair value used for measuring ineffectiveness	Effective portion of cash flow hedges	Cost of hedging reserve
As at 31st March 2022			
Foreign exchange forward contracts	735.39	735.39	(1,055.01)
As at 31st March 2023			
Foreign exchange forward contracts	1,957.57	1,957.57	(883.33)

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The effect of the cash flow hedge in the statement of profit and loss is as follows :

	Total hedging gain recognised in OCI	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss	Line item in the statement of profit and loss
Year ended 31st March 2022					
Net gain on cash flow hedges	735.39	-	-	(735.39)	Foreign exchange loss (net)
Net change in costs of hedging	-	-	(1,055.01)	921.59	Finance cost
Year ended 31st March 2023					
Net gain on cash flow hedges	1,957.57	-	-	(1,957.57)	Foreign exchange loss (net)
Net change in costs of hedging	-	-	(883.33)	834.15	Finance cost

Note 42: Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying Value		Fair Value	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Financial assets:				
Fair value through profit or loss				
Derivative instruments at fair value through profit or loss	-	204.91	-	204.91
Investment in equity shares of Simbhaoli Sugars Limited	2.97	3.34	2.97	3.34
Fair value through other comprehensive income				
Investment in equity shares of National Commodity Derivative Exchange Limited(NCDEX)	420.82	429.16	420.82	429.16
Other financial assets at amortised cost				
Trade receivables	2,067.74	2,896.87	2,067.74	2,896.87
Cash and cash equivalents	1,670.33	222.34	1,670.33	222.34
Other bank balance	181.06	537.19	181.06	537.19
Other financial assets	652.36	418.46	652.36	418.46
Total financial assets	4,995.28	4,712.27	4,995.28	4,712.27
Financial liabilities:				
Fair value through profit and loss				
Derivative financial instruments	271.67	-	271.67	-
Other financial liabilities at amortised cost				

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	Carrying Value		Fair Value	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Borrowings				
Redeemable non-convertible debentures	2,008.71	2,114.96	2,008.71	2,114.96
Other borrowings at floating rate of interest	49,746.06	45,444.25	49,746.06	45,444.25
Other borrowings at fixed rate of interest	3,731.43	4,587.19	3,731.43	4,587.19
Trade Payables	23,150.68	20,395.79	23,150.68	20,395.79
Other financial liabilities	1,703.38	1,731.98	1,703.38	1,731.98
Total financial liabilities	80,611.93	74,274.17	80,611.93	74,274.17

'Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts. The fair value are classified under Level 3 Fair value hierarchy.

The following methods and assumptions were used to estimate the fair values

'Fair value of the unquoted equity shares of National Commodity Derivative Exchange Limited(NCDEX) at FVTOCI has been estimated on the basis of price to book value multiple of comparable quoted investments, adjusted for certain significant unobservable inputs like business risk discount and liquidity discount.

The fair values of the Group's interest-bearing borrowings and loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2023 was assessed to be insignificant.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and foreign exchange spot and forward rates. There was no change observed in counterparty credit risk to have any material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

'The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March 2023 and 31st March 2022 are as shown below:

Description of significant unobservable inputs to valuation

	Valuation technique	Sensitivity of the input to fair value
Unquoted equity shares of National Commodity Derivative Exchange Limited(NCDEX)	Market realisable value estimated based on price to book value multiple of comparable quoted investments, adjusted for certain significant unobservable inputs like business risk discount and liquidity discount.	31 st March 2023: 5% (31 st March 2022: 5%) increase / (decrease) in the market price per share would result in increase/(decrease) in fair value by INR 21.04 million (31 st March 2022: INR 21.46 million)

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Reconciliation of fair value measurement of unquoted equity shares classified as FVTOCI:

	Amount
As at 01st April 2021	599.98
Measurement recognised in OCI	(170.82)
Purchases	-
Sales	-
As at 31st March 2022	429.16
Measurement recognised in OCI	(8.34)
Purchases	-
Sales	-
As at 31st March 2023	420.82

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March 2023:

	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value - recurring fair value measurement:				
Investment in equity shares of Simbhaoli Sugars Limited and National Commodity Derivative Exchange Limited (NCDEX)	423.79	2.97	-	420.82
Liabilities measured at fair value - recurring fair value measurement:				
Derivative financial instruments	271.67	-	271.67	-
Liabilities which are measured at amortised cost for which fair values are disclosed:				
Borrowings				
Redeemable non-convertible debentures	2,008.71	-	-	2,008.71

There is no changes in fair value hierarchy level during the year ended 31st March 2023.

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Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March 2022:

	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value - recurring fair value measurement:				
Derivative instruments at fair value through profit or loss	204.91	-	204.91	-
Investment in equity shares of Simbhaoli Sugars Limited and National Commodity Derivative Exchange Limited (NCDEX)	432.50	3.34	-	429.16
Revalued property, plant and equipment (including right to use assets) (refer note 3)	39,924.97	-	-	39,924.97
Liabilities which are measured at amortised cost for which fair values are disclosed:				
Borrowings				
Redeemable non-convertible debentures	2,114.96	-	-	2,114.96

There have been transfers of Investment in equity shares in NCDEX from Level 2 to level 3 as offer received by the Group to sell its shareholding has been withdrawn and calculation of fair value is based on price to book value multiple of comparable quoted investments, adjusted for certain significant unobservable inputs like business risk discount and liquidity risk discount used in calculation of fair value.

Note 43: Financial risk management objectives and policies:

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to credit risk, liquidity risk and market risk. The Group's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Group. The senior management provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors of the Company reviews and agrees for managing each of these risks.

Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as equity price risk and commodity price risk.

Foreign exchange exposure and risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the ECB loan of USD 300 million and also short term borrowing of USD 150.32 million availed from its holding company Wilmar Sugar Holdings Pte. Ltd. and other foreign currency receivables and payables.

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for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)
 The Group manages its foreign currency risk by hedging transactions ranging for period of 6 months. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable against operating activities.

At 31st March 2023, the Company has fully hedged the foreign currency exposure related to principal portion of External Commercial Borrowing (ECB) loan for 4 to 6 months using foreign currency forward contracts and expects to roll-forward these hedges in the future periods to hedge the foreign currency risks. The Company has also obtained foreign currency forward contracts to cover the foreign currency risks related to receivable in foreign currency and these contracts have a tenure of 3 months.

Foreign currency sensitivity:

As at 31st March 2023, net unhedged exposure of the Group to foreign currency asset and liabilities is as follows:

Currency	Assets as at		Liabilities as at	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
United States Dollar (USD)	1,320.75	1,532.36	(29,386.29)	(20,283.70)
United Arab Emirates Dirham (AED)	32.20	1.41	-	-
European Union (EURO)	13.26	-	(0.30)	-
Great Britain Pound (GBP)	-	-	-	(0.14)

5% increase and decrease in the foreign exchange rates will have the following impact on profit before tax:

Currency	Sensitivity Analysis Assets		Sensitivity Analysis Liabilities	
	As at 31 st March 2023	As at 31 st March 2022	As at 31 st March 2023	As at 31 st March 2022
Increase by 5%				
United States Dollar (USD)	66.04	76.62	(1,469.31)	(1,014.19)
United Arab Emirates Dirham (AED)	1.61	0.07	-	-
European Union (EURO)	0.66	-	(0.01)	-
Great Britain Pound (GBP)	-	-	-	(0.01)
Decrease by 5%				
United States Dollar (USD)	(66.04)	(76.62)	1,469.31	1,014.19
United Arab Emirates Dirham (AED)	(1.61)	(0.07)	-	-
European Union (EURO)	(0.66)	-	0.01	-
Great Britain Pound (GBP)	-	-	-	0.01

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Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term debt obligations with floating interest rates.

The Group manages its interest risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

Particulars	As at 31 st March 2023	Composition	As at 31 st March 2022	Composition
Borrowing - Fixed interest rate	5,740.14	10.35%	6,702.15	12.85%
Borrowing - Floating interest rate	49,746.06	89.65%	45,444.25	87.15%
Total	55,486.20		52,146.40	

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on loss before tax
31st March 2023		
INR	50	248.73
31st March 2022		
INR	50	227.22

Commodity price risk

Commodity price in sugar industry is impacted by multiple factors such as international sugar price, government regulations, quantity of sugar production in the relevant period, etc. The Group has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products. The following table shows effect of changes in various commodities on the profit of the Group.

Commodity price sensitivity

	Sugar sale	Cane purchase	Raw-sugar purchase
Increase in price by 5%			
31 st March 2023	3,604.89	(1,012.43)	(2,497.06)
31 st March 2022	2,388.62	(1,077.48)	(1,270.59)
Decrease in price by 5%			
31 st March 2023	(3,604.89)	1,012.43	2,497.06
31 st March 2022	(2,388.62)	1,077.48	1,270.59

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Credit risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. The Group conducts thorough credit assessments before granting credit terms and limits to customers, who are then monitored closely for adherence. Group's export sales are executed against advance or receipt against submission of documents. The Group's domestic sugar sales are primarily made to corporate customers, who are provided credit terms after thorough credit assessments and thereby, credit default risk is not significant for these customers. Other domestic sugar sales are primarily made on receipt of advance amount before goods are dispatched. Further, ethanol is sold to public sector undertakings and power is supplied to corporations run by state government, thereby the credit default risk is significantly mitigated.

Trade receivables:

Trade receivables are non-interest bearing and are generally on credit terms of 7 to 180 days.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of expected credit loss, actual credit loss and party-wise review of credit risk. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The ageing analysis of the receivables (net of expected credit loss) has been considered from the date the invoice falls due.

The ageing is as follows:

	As at 31 st March 2023	As at 31 st March 2022
Up to 6 months	1,945.75	2,817.84
More than 6 months	121.99	79.03
Total	2,067.74	2,896.87

Liquidity risk:

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, financial support from parent etc. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year	1 to 5 years	More than 5 years	Total
As at 31st March 2023				
Borrowings	25,000.84	29,810.63	1,250.00	56,061.47
Trade and other payables	23,150.68	-	-	23,150.68
Lease liabilities	15.83	36.83	922.27	974.93
Other financial liabilities	1,774.74	-	-	1,774.74
Total	49,942.09	29,847.46	2,172.27	81,961.82
As at 31st March 2022				
Borrowings	24,732.37	28,101.88	-	52,834.25
Trade and other payables	20,395.79	-	-	20,395.79
Lease liabilities	16.63	35.46	932.50	984.59
Other financial liabilities	1,541.94	-	-	1,541.94
Total	46,686.73	28,137.34	932.50	75,756.57

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'Note 44: Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of Group's management is to maximise shareholder's value.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial and non-financial covenants (if any) and maximise shareholder's wealth. There have been no significant breaches in the financial and non financial covenants of any interest-bearing loans and borrowings in the current period.

The Group manages its capital structure and make adjustments in light of changes in the financial conditions.

The calculation of capital for the purpose of capital management is as follows:

	As at 31 st March 2023	As at 31 st March 2022
Equity share capital	2,128.49	2,128.49
Other equity (including securities premium)	(10,934.93)	(8,203.11)
	(8,806.44)	(6,074.62)

Debt equity ratio

The debt-to-equity (D/E) ratio is calculated by dividing a company's total liabilities by its shareholder equity. The ratio is used to evaluate a Group's financial leverage.

	As at 31 st March 2023	As at 31 st March 2022
Equity	2,128.49	2,128.49
Other equity	(10,934.93)	(8,203.11)
	(8,806.44)	(6,074.62)
Total borrowings	55,486.20	52,146.40
Debt equity ratio	(6.30)	(8.58)

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2023 and 31st March 2022.

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Note 45: Segment information Primary segment reporting for the year ended 31st March 2023

The management committee monitors the operating results of its business units for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Group's financing (including finance costs and finance income) and income taxes are managed on a Group level and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Particulars	Sugar-Milling		Sugar - Refinery		Trading		Co-Generation		Distillery		Engineering		Other		Eliminations		TOTAL				
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23		
Revenue																					
External sales	16,100.18	12,629.83	56,755.47	35,660.14	1,474.61	4,237.36	1,345.71	1,274.33	11,977.27	9,493.77	2,313.60	363.54	240.61	205.71	-	-	-	90,207.45	63,864.68		
Inter-segment sales	13,324.59	14,989.11	1,239.53	3,202.37	-	-	-	3,073.20	2,830.49	-	2,285.79	1,549.37	-	-	(19,923.11)	(22,571.34)	-	-	-		
Total Revenue	29,424.77	27,618.94	57,995.00	38,862.51	1,474.61	4,237.36	4,418.91	4,104.82	11,977.27	9,493.77	4,599.39	1,912.91	240.61	205.71	(19,923.11)	(22,571.34)	90,207.45	63,864.68	90,207.45	63,864.68	
Results	568.97	683.44	2,507.30	(389.07)	(10.58)	98.00	45.96	533.56	2,084.81	1,907.73	(93.89)	144.85	159.62	145.87	-	-	5,262.19	3,124.38	(1,300.67)	(921.83)	
Unallocated corporate expenses																					
Operating profit																					
Finance costs																					
Foreign currency and derivative loss (net)																					
Other income																					
Total loss before tax																					
Other Information																					
Segment assets	22,684.11	25,020.41	22,039.39	18,875.03	883.41	72.78	10,377.73	8,972.23	13,002.86	12,081.52	1,789.54	675.39	575.30	611.28	-	-	-	71,352.34	66,308.64	4,889.47	4,725.10
Unallocated corporate assets																					
Total assets	22,684.11	25,020.41	22,039.39	18,875.03	883.41	72.78	10,377.73	8,972.23	13,002.86	12,081.52	1,789.54	675.39	575.30	611.28	-	-	-	71,352.34	66,308.64	4,889.47	4,725.10
Segment liabilities	4,827.40	8,243.77	18,840.02	12,179.98	5.64	4.76	344.47	204.96	184.73	162.25	1,352.44	558.14	67.45	148.20	-	-	-	25,622.15	21,502.06	59,226.10	55,606.30
Unallocated corporate liabilities																					
Total liabilities	4,827.40	8,243.77	18,840.02	12,179.98	5.64	4.76	344.47	204.96	184.73	162.25	1,352.44	558.14	67.45	148.20	-	-	-	25,622.15	21,502.06	59,226.10	55,606.30
Capital expenditure	578.64	368.86	629.58	322.45	-	0.09	947.41	457.95	2,365.73	1,637.61	12.67	16.17	3.34	1.83	-	-	-	4,537.37	2,804.96	14.77	94.11
Unallocated corporate capital expenditure																					
Total capital expenditure	578.64	368.86	629.58	322.45	-	0.09	947.41	457.95	2,365.73	1,637.61	12.67	16.17	3.34	1.83	-	-	-	4,537.37	2,804.96	14.77	94.11
Depreciation	963.21	836.50	538.30	443.57	1.62	1.33	458.45	473.29	329.47	260.65	8.61	4.09	23.19	19.52	-	-	-	2,322.85	2,038.95	53.68	40.19
Unallocated corporate depreciation																					
Total depreciation	963.21	836.50	538.30	443.57	1.62	1.33	458.45	473.29	329.47	260.65	8.61	4.09	23.19	19.52	-	-	-	2,322.85	2,038.95	53.68	40.19
Total depreciation	963.21	836.50	538.30	443.57	1.62	1.33	458.45	473.29	329.47	260.65	8.61	4.09	23.19	19.52	-	-	-	2,322.85	2,038.95	53.68	40.19

Inter-segment revenues are eliminated upon consolidation and are reflected in the 'eliminations' column. All other adjustments forming a part of unallocated corporate segment are provided with detailed reconciliations.

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Reconciliations to amounts reflected in the financial statements

Reconciliation of assets

	31 st March 2023	31 st March 2022
Segment operating assets	71,352.34	66,308.64
Investment (refer note 4)	423.79	432.50
Cash and cash equivalents (refer note 10)	1,670.33	222.34
Other bank balances (refer note 11)	181.06	537.19
Non-Current tax assets	122.28	93.05
Other assets forming a part of unallocated segment	2,292.01	3,440.02
Total assets	76,041.81	71,033.74

Reconciliation of liabilities

	31 st March 2023	31 st March 2022
Segment operating liabilities	25,622.15	21,502.06
Non-current borrowings (refer note 15)	30,580.86	27,561.43
Current borrowings (refer note 19)	24,905.34	24,584.97
Government grants (refer note 18)	445.08	416.53
Deferred tax liabilities (refer note 7)	1,415.85	1,287.94
Other liabilities forming part of unallocated segment	1,878.97	1,755.43
Total liabilities	84,848.25	77,108.36

Revenue from customers

	31 st March 2023	31 st March 2022
India	29,265.64	19,907.39
Outside India	60,941.81	43,957.29
Total revenue	90,207.45	63,864.68

Total assets

	31 st March 2023	31 st March 2022
India	74,610.06	69,590.24
Outside India	1,431.75	1,443.50
Total assets	76,041.81	71,033.74

Total liabilities

	31 st March 2023	31 st March 2022
India	30,808.27	34,614.64
Outside India	54,039.98	42,493.72
Total liabilities	84,848.25	77,108.36

Segment revenue from customer groups to whom sales of 10% or more are made during the period ended

Customer	2022-23	Segment	2021-22	Segment
Customer- 1	46,974.17	Sugar refinery	21,554.01	Sugar refinery
Customer- 2	-	Engineering	8,410.18	Engineering
		Nil		Sugar refinery

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 46: Statement pursuant to first provision to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies.

Sr. No.	Name of the Subsidiary	As % of consolidated net assets	Net assets i.e. Total assets minus total liabilities	As % of consolidated profit/loss after tax	Profit/(loss) for the year	As % of consolidated other comprehensive income	Other comprehensive income	As % of consolidated comprehensive income	Total comprehensive income
I Parent									
	Shree Renuka Sugars Limited	-4.7%	4,126.49	69%	(1,357.30)	1.443%	1,029.14	-17%	(328.16)
II Indian subsidiaries									
	Gokak Sugars Limited	-2%	179.25	-2%	47.38	-3%	(1.85)	-2%	45.54
	Shree Renuka Agri Ventures Limited	2%	(219.34)	0%	1.38	0%	-	0%	1.38
	Monica Trading Private Limited	0%	(30.41)	1%	(21.34)	0%	-	1%	(21.34)
	Shree Renuka Tunaport Private Limited	0%	(8.35)	0%	(0.16)	0%	-	0%	(0.16)
	KBK Chem-Engineering Private Limited	-1%	105.73	-5%	99.34	-1%	0.45	-5%	99.79
III Foreign subsidiaries									
	Renuka Commodities DMCC, Dubai	139%	(12,233.41)	26%	(502.06)	0%	-	-26%	(502.06)
	Shree Renuka East Africa Agriventures PLC	0%	0.01	0%	-	-	-	0%	-
IV Non controlling interest									
		0%	5.72	0%	3.01	0%	-	0%	3.01
V Consolidation adjustments / eliminations									
		8%	(732.13)	12%	(236.93)	-1341%	(956.43)	63%	(1,193.37)
			(8,806.44)		(1,966.68)		71.31		(1,895.37)

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

Note 47: Leases

Group as a lessee

The Group has lease contracts for various land, building and plant, machinery and equipments. Leases of land have a lease term of 30 years and 90 years, building generally 3 years and 5 years and plant, machinery and equipments generally 17 years and 30 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases of building and leases of office with lease terms of 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Land	Buildings	Plant	Total
As at 01st April 2021	670.08	22.24	1,183.44	1,875.76
ROU assets recognized to the extent of ROU liabilities	-	36.67	-	36.67
Prepayments capitalised as ROU	-	-	8.75	8.75
ROU assets derecognized	-	(0.43)	-	(0.43)
Revaluation	(58.71)	-	-	(58.71)
Total	611.37	58.48	1,192.19	1,862.04
Depreciation expense	(8.79)	(15.99)	(102.62)	(127.40)
As at 31st March 2022	602.58	42.49	1,089.57	1,734.64
ROU assets recognized to the extent of ROU liabilities	-	13.11	-	13.11
Prepayments capitalised as ROU	-	-	3.99	3.99
ROU assets derecognized	-	(1.76)	-	(1.76)
Total	602.58	53.84	1,093.56	1,749.98
Depreciation expense	(8.03)	(24.42)	(102.61)	(135.06)
As at 31st March 2023	594.55	29.42	990.95	1,614.92

During the previous year ended 31st March 2022, the Group had appointed a registered independent valuer who had relevant valuation experience for valuation of property, plant and equipment in India and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

Set out below are the carrying amounts of lease liabilities (included under the head non-current and current financial liabilities) and the movements during the period:

	Amount
As at 01st April 2021	153.84
Additions	36.67
Deletion	(0.43)
Accretion of interest	16.51
Payments	(16.55)
As at 31st March 2022	190.04

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

	Amount
Additions	13.11
Deletion	(0.43)
Accretion of interest	19.69
Payments	(22.10)
As at 31st March 2023	200.31

The following are the amounts recognised in profit or loss:

	Year ended 31st March 2023	Year ended 31st March 2022
Amortization of right-of-use assets	135.06	127.40
Interest expense on lease liabilities	19.69	16.51
Expense relating to short-term leases and low value leases	8.26	6.57
Total amount recognised in profit or loss	163.01	150.48

The Group had total cash outflows for leases of INR 27.74 million (31st March 2022: INR 21.85 million) during the financial year ended 31st March 2023. The Group do not have any future cash outflows relating to leases that have not yet commenced.

The Group has certain lease contracts that are non-cancellable for fixed period and considered will be terminated after completion of non-cancellable period.

Note 48: Enterprises consolidated as subsidiary in accordance with Ind AS 112 – Disclosure of Interests in Other Entities.

Name of the Enterprise	Country of Incorporation	Proportion of ownership interest	
		31 st March 2023	31 st March 2022
Renuka Commodities DMCC, Dubai	Dubai	100.00%	100.00%
Shree Renuka East Africa Agriventures PLC, Ethiopia	Ethiopia	99.99%	99.99%
Gokak Sugars Limited	India	93.64%	93.64%
Shree Renuka Agri Ventures Limited	India	100.00%	100.00%
Monica Trading Private Limited	India	100.00%	100.00%
Shree Renuka Tunaport Private Limited	India	100.00%	100.00%
KBK Chem Engineering Private Limited	India	100.00%	100.00%

Note 49: Other Statutory Information

- (i) There are no proceedings initiated or are pending against the Group for holding any benami property under the prohibition of Benami Property Transaction Act, 1988 and rules made thereunder.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Notes to Consolidated Financial Statements

for the year ended 31st March 2023 (All amounts in million Indian Rupees, unless otherwise stated)

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Group 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 Group 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,
- (vi) The Group does not have any transaction which is not recorded in the books of accounts 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)
- (vii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 50:

Previous year's figures have been regrouped /rearranged wherever necessary to conform to the current year presentation.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Regn. No. : **324982E/E300003**

per Shyamsundar Pachisia

Partner

Membership No. : **049237**

Date : 26th May 2023

Place : Mumbai

For and on behalf of the Board of directors of

Shree Renuka Sugars Limited

Atul Chaturvedi

Executive Chairman

DIN : 00175355

Date : 26th May 2023

Place : Mumbai

Sunil Ranka

Chief Financial Officer

Date : 26th May 2023

Place : Mumbai

Vijendra Singh

Executive Director and Dy. CEO

DIN : 03537522

Date : 26th May 2023

Place : Mumbai

Deepak Manerikar

Company Secretary

FCS No. : F-6801

Date : 26th May 2023

Place : Mumbai



**Shree Renuka
Sugars Limited**

2nd & 3rd Floor, Kanakashree Arcade,
CTS No. 10634, JNMC Road,
Neharu Nagar, Belagavi - 590010,
Karnataka