BALRAMPUR CHINI MILLS LIMITED

CIN - L15421WB1975PLC030118
Reg.Off. : FMC Fortuna, 2nd Floor, 234/3A, A. J. C. Bose Road, Kolkata - 700 020
P : 033 2287 4749
F : 033 2283 4487
E : bcml@bcml.in
W : www.chini.com

26th July, 2023

National Stock Exchange of India Limited Listing Department, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400051	BSE Limited The Corporate Relationship Department 1st Floor, New Trading Wing, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400001
Symbol: BALRAMCHIN	**Scrip Code:** 500038

Dear Sir/Madam,

Subject: Notice of the 47th Annual General Meeting ("AGM") and Integrated Annual Report for the Financial Year 2022-23

In terms of Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Notice of the 47th Annual General Meeting of the Company and the first Integrated Annual Report of the Company for the Financial Year 2022-23 including the Business Responsibility and Sustainability Report.

In accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India the aforesaid documents are being dispatched electronically to those Members whose email IDs are registered with the Company / Depository Participants.

The Notice of the AGM and Integrated Annual Report is also being uploaded on the Company's website and can be accessed at www.chini.com.

We request you to take the above information on record.

Thanking you,

Yours faithfully,
For **Balrampur Chini Mills Limited**

MANOJ AGARWAL
Digitally signed by MANOJ AGARWAL
Date: 2023.07.26 21:46:37 +05'30'

Manoj Agarwal
Company Secretary & Compliance Officer

Encl: A/a

Balrampur
Chini Mills Limited

CIN: L15421WB1975PLC030118

Registered Office

FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road, Kolkata 700020, West Bengal, India

P: +91 33 2287 4749; **F:** +91 33 2283 4487; **E:** secretarial@bcml.in

W: www.chini.com

NOTICE

NOTICE is hereby given that the 47th (Forty Seventh) Annual General Meeting (AGM) of the Members of Balrampur Chini Mills Limited will be held on **Saturday, the 19th Day of August, 2023 at 3:30 P.M. (IST)** through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses:

Ordinary Business(s):

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the Reports of the Board of Directors and Auditors' thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the Report of the Auditors' thereon.
3. To approve and confirm the Interim Dividend of ₹2.50 per Equity Share of the Company paid during the year as Final Dividend for the Financial Year ended 31st March, 2023.
4. To appoint a director pursuant to Section 152(6) of the Companies Act, 2013, in place of Mr. Praveen Gupta (DIN: 09651564), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment as director of the Company.

Special Business(s):

5. **Ratification of remuneration to Cost Auditors:**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of M/s. Mani & Co., Cost Accountants (Firm Registration No.: 000004), appointed by the Board of Directors, on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending 31st March, 2024, at a remuneration of ₹4,80,000 (Rupees Four Lakh Eighty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, be and is hereby ratified.

   RESOLVED FURTHER THAT each of the Directors and the Company Secretary of the Company, be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid Resolution."

6. **Appointment of Dr. Indu Bhushan (DIN: 09302960) as an Independent Director:**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 ('Listing Regulations'), as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Dr. Indu Bhushan (DIN: 09302960), who was appointed as an Additional Director (in the capacity of an Independent Director) of the Company by the Board of Directors with effect from 17th July, 2023, and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act read with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, read with the Rules made thereunder and the applicable provisions of Listing Regulations, and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director (under Non-Executive category) of the Company, to hold office for a term of five consecutive years i.e., from 17th July, 2023 upto 16th July, 2028 and not liable to retire by rotation.

RESOLVED FURTHER THAT the Board and/or any duly constituted Committee of the Board, be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

7. **Revision of remuneration of Mr. Praveen Gupta, Whole-time Director of the Company**

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

"RESOLVED THAT in partial modification of the resolution passed regarding the appointment and remuneration of Mr. Praveen Gupta (DIN: 09651564) by the members of the Company at 46th Annual General Meeting held on 27th August, 2022 and in accordance with the provisions of Sections 196, 197 and 198 read with Schedule V of the Companies Act, 2023 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, pursuant to notification issued by Ministry of Corporate Affairs ("MCA") dated 12 September 2018, under notified provisions of the Companies (Amendment) Act, 2017, ("Amendment Act, 2017") and other applicable provisions of the Act, and as per Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') including any statutory modification(s) or re-enactment(s) as amended, or any other law applicable for the time being in force read with the Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee, approved by Board of Directors of the Company and subject to the approval of any other statutory authorities, as may be required in this regard, the approval of the Members of the Company, be and is hereby accorded to modify the remuneration structure as set out in the explanatory statement, for the remaining tenure of current appointment of Mr. Praveen Gupta.

RESOLVED FURTHER THAT where in any financial year during the tenure of the above mentioned Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration as mentioned in the explanatory statement as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to vary, alter and modify the terms and conditions of appointment, remuneration/remuneration structure of Mr. Praveen Gupta within the limits prescribed above and in accordance with the provisions of the applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things and give such directions, as it may in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate, to the extent permitted by law, any of the powers herein conferred to any Committee of Directors or to any Director(s) or to any Key Managerial Personnel of the Company."

Place: Kolkata
Date: 15th July, 2023

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No: A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A. J. C. Bose Road, Kolkata-700020

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (as amended) (the "Act") and Secretarial Standard on General Meetings (Revised) – 2 (the "SS-2"), issued by the Institute of Company Secretaries of India ('ICSI') relating to Special Businesses to be transacted at the Meeting which the Board of Directors have considered and decided to include as Special Business and which are unavoidable in nature, are annexed hereto. The said Statements also contain the recommendation of the Board of Directors of the Company in terms of Regulation 17(11) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations"). Additional disclosures, pursuant to the requirements of SS-2 and Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / re-appointment form part of this Notice convening the 47th Annual General Meeting (AGM/ Meeting) of the Company (the "Notice").

2. The Ministry of Corporate Affairs, ("MCA") has permitted conducting of Annual General Meeting ("AGM") through VC or OAVM. In this regard, MCA issued Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 21/2021 dated December 14, 2021, Circular No. 2/2022 dated May 5, 2022 and Circular No. 10/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars"), prescribing the procedure and manner of conducting the AGM through VC / OAVM. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, has provided certain relaxations from compliance with certain provisions of the Listing Regulations. In compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), MCA and SEBI Circulars / Listing Regulations the Board of Directors has approved conducting of the 47th Annual General Meeting (AGM) of the Company through VC/OAVM. KFin Technologies Limited ("KFin") will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the Meeting through VC/OAVM is explained herein below. Participation of the Members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act. Further, the deemed venue for the AGM shall be the Registered Office of the Company.

3. Keeping the convenience of the Members positioned in different time zones, the Meeting has been scheduled at 3:30 P.M. (IST).

4. **IN TERMS OF THE MCA AND SEBI CIRCULARS MENTIONED HEREINABOVE, THE REQUIREMENT OF SENDING PROXY FORMS TO HOLDERS OF SECURITIES AS PER PROVISIONS OF SECTION 105 OF THE ACT READ WITH REGULATION 44(4) OF THE LISTING REGULATIONS, HAS BEEN DISPENSED WITH. THEREFORE, THE FACILITY TO APPOINT PROXY BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND CONSEQUENTLY, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THE NOTICE.**

   However, in pursuance of Section 113 of the Act and Rules framed thereunder, the institutional/ corporate members are entitled to appoint authorised representatives for the purpose of voting through remote e-voting or for the participation and e-voting during the AGM, through VC or OAVM. In this regard, they are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution/Power of Attorney/appropriate Authorisation Letter authorising their representative to vote on their behalf, to the Scrutinizer through e-mail at *cs.amberahmad@gmail.com* with the subject line "Balrampur Chini Mills Limited – 47th AGM" with a copy marked to *evoting@kfintech.com*.

5. Since the AGM will be held through VC or OAVM, no Route Map is being provided with the Notice.

DISPATCH OF ANNUAL REPORT, PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF THE NOTICE AND ANNUAL REPORT:

6. In compliance with the aforesaid MCA and SEBI Circulars, the Notice and the Annual Report is being sent only through electronic mode to all the Members whose email addresses are registered with the Company/RTA/Depositories.

7. Members may note that the Notice and the Annual Report will also be available on the Company's website at *www.chini.com*, the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at *www.bseindia.com* and *www.nseindia.com* respectively, and on the website of the e-voting agency *https://evoting.kfintech.com/*

8. KFin Technologies Limited ("KFin"), the Company's Registrar and Transfer Agent will provide the facility for voting through remote e-voting, for participating in the AGM through VC / OAVM and e-voting during the AGM.

9. Pursuant to the MCA's Circular, the Company shall publish a newspaper advertisement urging its Members (who have not registered their email IDs) to register their email IDs at the earliest. However, Members who have still not registered their email IDs, are requested to do so at the earliest, in the following manner:

   a) Members holding shares in electronic mode can get their email IDs registered by contacting their respective Depository Participant.

   b) Members holding shares in physical mode are requested to register their email IDs with the Company or KFin, for receiving the Notice and Annual Report. Requests can be emailed to *einward.ris@kfintech.com* or *secretarial@bcml.in / investorgrievances@bcml.in*

   The Members are urged to support the Green Initiative of the Government of India by choosing to receive the communication from the Company through email.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

10. Members will be able to attend the AGM through VC / OAVM of the AGM at *https://emeetings.kfintech.com* by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM.

    Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.

11. Members may join the AGM through Laptops, Smartphones, Tablets or iPads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of Chrome, Safari, MS Edge or Mozilla Firefox.

    Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

    Members will be required to grant access to the web-cam to enable two-way video conferencing.

12. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the AGM. 1000 Members will be able to participate in the AGM through VC / OAVM on a firstcome - first-serve basis.

    Large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction of first-come-first serve basis.

13. Institutional Members are encouraged to participate at the AGM through VC / OAVM and vote thereat.

14. Members, holding shares as on the cut-off date i.e. Saturday, 12th August, 2023 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers at *https://emeetings.kfintech.com* and clicking on 'Speaker Registration' during the period from Wednesday, 16th August, 2023 (10:00 A.M. IST) upto Friday, 18th August, 2023 (5:00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to speak / express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

    Alternatively, Members holding shares as on the cut-off date may also visit *https://emeetings.kfintech.com* and click on the tab 'Post Your Queries' and post their queries/views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window will close at 5.00 P.M. (IST) on Friday, 18th August, 2023.

15. Members who need assistance before or during the AGM with use of technology, can contact KFin at 1800 309 4001 or write to them at *evoting@kfintech.com*.

PROCEDURE FOR REMOTE E-VOTING AND VOTING DURING THE AGM:

16. In accordance with the provisions of Section 108 and other applicable provisions, if any, of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereto and Regulation 44 of the Listing Regulations, the Company has engaged the services of KFin to provide remote e-voting facility to all the Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting.

17. Members are requested to attend and participate in the ensuing AGM through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during the AGM.

18. Members who would have cast their vote by remote e-voting may attend the Meeting through VC/OAVM, but shall not be able to vote at the Meeting. Such a member will also not be allowed to change or cast vote again. The facility of voting through electronic

means will also be available during the Meeting. Members attending the Meeting who would have not already cast their vote by remote e-voting shall be able to cast their vote during the Meeting.

19. In case of any query and / or help, in respect of attending the AGM through VC/ OAVM mode, Members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC/ OAVM' user manual available at the download Section of *https://evoting.Kfintech.com* or contact Mr. Shaibal Haripada Roy, Deputy Vice President - Corporate Registry or Mr. Balaji Reddy, Senior Manager – Corporate Registry of KFin at the email ID at *evoting@kfintech.com* KFin's toll free no.: 1800-309- 4001 for any further clarifications / technical assistance that may be required.

20. **The process and manner for remote e-voting are as under:**

    a) Pursuant to the provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the SS-2 and Regulation 44 of the Listing Regulations read with MCA Circulars and SEBI Circulars, the Company is pleased to provide remote e-voting facility to its Members in respect of the business to be transacted during the AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM.

    b) The facility for voting shall also be made available during the AGM and the Members participating in the Meeting who have not casted their votes by remote e-voting shall be able to exercise their right during the Meeting through e-voting.

    c) The Members who have casted their vote by remote e-voting prior to the AGM may also participate in the AGM but shall not be entitled to cast their vote again.

    d) The facility of casting the votes by the Members using an electronic voting system ("remote e-voting") during the prescribed time prior to AGM and voting during AGM will be provided by service provider KFin.

    e) The remote e-voting period commences on Wednesday, 16th August, 2023 (10:00 A.M. IST) and ends on Friday, 18th August, 2023 (5:00 P.M. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, 12th August, 2023 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by KFin for voting thereafter. Once a Member casts his vote on a resolution, the Member shall not be allowed to change it subsequently.

    f) Any person who becomes a member of the Company after sending notice of AGM and holding shares as on cut- off date i.e. Saturday, 12th August, 2023 may obtain the User ID and Password in the manner mentioned below by sending email to the Company at *secretarial@bcml.in* along with authentic proof of Member or to write to KFin at *evoting@kfintech.com* sufficiently before closing of the remote e-voting.

    g) The process and the manner for remote e-voting and e-voting during AGM is as under:

       As per the SEBI Circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email ID in their demat accounts in order to access e-voting facility.

PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING

I. FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT

Login method for Individual Shareholders holding shares in demat mode, as devised by the Depositories/ Depository Participants, is given below:

NSDL	CDSL
1. User already registered for IDeAS facility of NSDL: i. Type in the browser / click on the e-Services link: *https://eservices.nsdl.com* ii. Click on the 'Beneficial Owner' icon under 'IDeAS' section. iii. A new page will open. Enter your User ID and Password. Post successful authentication, click on 'Access to e-Voting' under 'Value Added Services'.	1. User already registered for Easi/Easiest facility of CDSL: i. Type in the browser / click on any of the following links: *https://web.cdslindia.com/myeasi/home/login* or *www.cdslindia.com* ii. Click on New System Myeasi / Login to My Easi option under Quick Login.

NSDL	CDSL
iv. Click on 'Active E-Voting Cycles' option under e-Voting. v. Click against Company name ('Balrampur Chini Mills Limited') or e-Voting service provider ('Kfintech') and you will be re-directed to e-Voting page of service provider i.e. Kfintech for casting the vote during the remote e-Voting period. You can now cast your vote without any further authentication.	iii. Enter your User ID and Password for assessing Easi / Easiest. iv. Click against Company name ('Balrampur Chini Mills Limited') or e-voting service provider ('Kfintech') and you will be re-directed to e-voting page of service provider i.e. Kfintech for casting the vote during the remote e-voting period. You can now cast your vote without any further authentication.
2. User not registered for IDeAS e-Services facility of NSDL: i. To register type in the browser /click on, any of the following e-Service link: https://eservices.nsdl.com Or https://eservices.nsdl.com/SecureWeb/ IdeasDirectReg.jsp ii. Select 'Register Online for IDeAS' iii. Proceed to complete your registration using your DP ID, Client ID, Mobile number and other required details. iv. After successful registration, follow the steps mentioned under Para 1 above to cast your vote.	2. User not registered for Easi/Easiest facility of CDSL: i. To register type in the browser /click on the following link: https://web.cdslindia.com/ myeasi/Registration/ EasiRegistration ii. Proceed to complete your registration using your DP ID, Client ID, Mobile number and other required details. iii. After successful registration, follow the steps mentioned under Para 1 above to cast your vote.
3. User may directly access the e-voting website of NSDL: i. Type in the browser /click on the following link: https://www.evoting.nsdl.com/ ii. Click on the icon 'Login' which is available under 'Shareholder/Member' section. iii. Enter User ID (i.e. 16-digit demat account number held with NSDL starting with IN), Password/OTP and a Verification Code as shown on the screen. iv. Post successful authentication, you will be redirected to e-voting page on NSDL website. v. Click against Company name ('Balrampur Chini Mills Limited') or e-voting service provider ('Kfintech') and you will be re-directed to e-voting page of service provider i.e. Kfintech for casting the vote during the remote e-voting period. You can now cast your vote without any further authentication. vi. Shareholders / Members can also download the NSDL mobile app 'NSDL SPEED-e' by scanning the QR code mentioned below for seamless voting experience **NSDL Mobile App is available on** App Store Google Play	3. User may directly access the e-voting website of CDSL: i. Type in the browser /click on the following link: www.cdslindia.com ii. Click on E-voting and enter your DP ID & Client ID and PAN. iii. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. iv. After successful authentication, you will enter e-voting module of CDSL. v. Click against Company name ('Balrampur Chini Mills Limited') or e-voting service provider ('Kfintech') and you will be re-directed to e-voting page of service provider i.e. Kfintech for casting the vote during the remote e-voting period. You can now cast your vote without any further authentication.

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned websites.

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

Contact details of NSDL – In case Members face any technical issue	Contact details of CDSL – In case Members face any technical issue
Members facing any technical issue in login can contact NSDL helpdesk by sending a request *at evoting@nsdl.co.in* or call at toll free no.: 1800 1020 990 or 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at *helpdesk.evoting@cdslindia.com* or contact at 022- 23058738 or 022-23058542-43.

II. FOR NON-INDIVIDUAL SHAREHOLDERS AND SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

Login method for non-individual shareholders and shareholders holding shares in physical form are given below:

A. **In case a shareholder receives an e-mail from the Company / Kfin [for shareholders whose e-mail addresses are registered with the Company / Depository Participant(s)]:**

i. Launch internet browser by typing the URL: *https://evoting.kfintech.com*.

ii. Enter the login credentials (i.e., user-id and password) mentioned in the email communication. The e-voting Event Number and your Folio Number or your DP ID Client ID will be your User ID.

User – ID: For shareholders holding shares in demat form:

For NSDL: 8 Character DP ID starting with IN followed by 8 Digits Client ID for CDSL: 16 digits beneficiary ID

User – ID: For shareholders holding shares in physical form:

EVEN 1234 followed by Folio No. registered with the Company / RTA.

Password: Your unique password is sent via e-mail forwarded through the electronic notice.

Captcha: Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons.

iii. After entering these details appropriately, Click on 'LOGIN'.

iv. If you are logging in for the first time, you will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the E-Voting Event Number 'EVEN' i.e., Balrampur Chini Mills Limited.

vii. On the voting page you will see Resolution Description and against the same the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares (which represents the number of votes) as on the cut-off date under 'FOR / AGAINST' or alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST' but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN'. If the shareholder does not indicate either 'FOR' or 'AGAINST' it will be treated as 'ABSTAIN' and the shares held will not be counted under either head.

viii. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folios / demat accounts.

ix. You may then cast your vote by selecting an appropriate option and click on 'Submit'.

x. A confirmation box will be displayed. Click 'OK' to confirm else 'CANCEL' to modify.

Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution(s).

B. In case of a shareholder whose e-mail address is not registered / updated with the Company / RTA / Depository Participant(s), please follow the following steps to generate your login credentials:

i. Shareholders holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to register / update the same by providing necessary details like Folio No., Name of the Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy), AADHAAR (self-attested scanned copy) by email to *evoting@kfintech.com* and copy to the Company at *secretarial@bcml.in*.

ii. Shareholders holding shares in dematerialised mode, shall provide Demat account details (CDSL - 16 digit beneficiary ID or NSDL - 16 digit DP ID + CL ID), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy), AADHAAR (self-attested scanned copy) by email to *evoting@kfintech.com* and cc to the Company at *secretarial@bcml.in*.

iii. After due verification, the Company/Kfin will forward your login credentials at your registered e-mail address.

iv. Follow the instructions at II.(A). (i) to (x) to cast your vote.

II. GENERAL INSTRUCTIONS/INFORMATION FOR MEMBERS FOR VOTING ON THE RESOLUTIONS

i. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., to the Scrutinizer at *cs.amberahmad@gmail.com* with a copy marked to *einward.ris@kfintech.com* and *investorgrievances@bcml.in*

ii. In case of any queries, please visit 'Help' and 'Frequently Asked Questions' (FAQs) section / e-voting user manual available through a dropdown menu in the 'Downloads' section available at RTA's website *https://evoting.kfintech.com* or call at toll free no. 18003094001. Any grievance relating to e-voting may be addressed to Mr. Shaibal Haripada Roy, Deputy Vice President - Corporate Registry, at e-mail id: *einward.ris@kfintech.com*.

21. Other Instructions:

a) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

b) The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC/OAVM. The e-voting window shall be activated upon instructions of the Chairman of the AGM during the AGM. E-voting during the AGM is integrated with the VC/OAVM platform and no separate login is required for the same.

22. The Board of Directors has appointed CS Amber Ahmad, Proprietor, Amber Ahmad & Associates, Company Secretaries, (FCS No.: 9312 / C.P. No.: 8581), or failing her, such other Practicing Company Secretary as the Executive Committee of the Board of Directors of the Company may appoint, as the Scrutinizer for scrutinizing the process of remote e-voting and e-voting during the Meeting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of the Meeting, unblock the votes cast through remote e-voting and e-voting done during the Meeting in presence of atleast two witnesses' not in employment of the Company. The Scrutinizer shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than two working days of conclusion of the Meeting.

23. The Results of remote e-voting and voting at the Meeting shall be declared by the Chairman or by any other director duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website *www.chini.com* and also be displayed on the Notice Board of the Company at its Registered Office for atleast 3 days and on the website of KFin *(https://evoting.kfintech.com/)* immediately after the results are declared and simultaneously communicated to the Stock Exchanges in compliance with Regulation 44(3) of the Listing Regulations.

GENERAL:

24. The Register of Members and Share Transfer Books of the Company will remain close from Sunday, 13th August, 2023 to Saturday, 19th August, 2023 (both days inclusive).

25. The Board of Directors, had declared interim dividend @ 250% i.e. ₹2.50 per equity share of ₹1 each at its Meeting held on 11th February, 2023 which was paid to the equity shareholders whose names appeared on the Company's Register of Members or in the

records of the Depositories as beneficial owners on 22nd February, 2023. The Board has not proposed any final dividend for the financial year ended 31st March, 2023 and accordingly, the interim dividend paid during the year shall be treated as final dividend. However, in order to receive any future dividend directly in your bank account, kindly register / update your bank account details with the Company.

26. Members holding shares in electronic form may note that the Company or its Registrar and Transfer Agent (KFin) cannot act on any request received directly from the Members holding shares in electronic form for any change in their address or bank particulars or bank mandates. Such changes are to be advised only to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address and / or bank mandates immediately to KFin.

27. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / KFin.

28. In order to enhance the ease of doing business for investors in the securities market, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, read together with the SEBI Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated 16th March, 2023 (hereinafter, collectively referred as the "SEBI KYC Circulars") mandated furnishing of PAN, full KYC details and Nomination by the holders of physical securities. The Company has intimated the concerned security holders about the folios which are incomplete in terms of the SEBI KYC Circulars. The folios wherein the above details are not available shall be frozen in the manner and timelines given in the SEBI KYC Circulars.

    Further, in terms of the SEBI KYC Circulars, the securities in the frozen folios shall be eligible for payment including dividend only through electronic mode, in the manner and timelines given therein. The payment shall be made electronically upon complying with the relevant requirements of the SEBI KYC Circulars.

    Accordingly, Members are hereby requested to kindly comply with the SEBI KYC Circulars.

29. Pursuant to Regulation 40 of the Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode with effect from 1st April, 2019, except in case of transmission or transposition of securities. In this regard, SEBI vide its Press Release No. 12/2019 dated 27th March, 2019 clarified that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after 1st April, 2019. However, any investor desirous of transferring shares which are held in physical mode after 1st April, 2019 could do so only after the shares are dematerialized. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September, 2020 fixed 31st March, 2021 as the cut-off date for relodgement of transfer deeds. Accordingly, the shares that were re-lodged for transfer (including those requests that are pending with the Company / RTA) were allowed to be issued only in demat mode.

30. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has now decided that, with immediate effect, listed companies shall issue the securities in dematerialized form only, while processing investor service request pertaining to issuance of duplicate share certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificates, endorsement, sub-division/splitting/consolidation of share certificates, transmission and transposition. The securities holder/claimant are, accordingly, required to submit duly filled-up Form ISR-4, the format of which can be downloaded from the Company's website, i.e. *www.chini.com*

    Members holding shares in physical form are, accordingly, requested to consider converting their holding to dematerialized form.

UNPAID DIVIDEND AND TRANSFER TO IEPF ACCOUNT:

31. In terms of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the "IEPF Rules"), the due date for transferring the unclaimed dividend for the Financial Year 2016-17 to the Investor Education and Protection Fund (established by the Central Government) is 18th September, 2023. Shareholders who have not yet encashed their dividend warrants for the Financial Year 2016-17 or any subsequent financial year(s) are requested to claim the same by sending a duly signed letter (along with a copy of cancelled cheque) to KFin immediately. The Company has uploaded the details of unpaid/unclaimed dividend amounts lying with the Company on the website of the Company (www.chini.com) and also on the website of the Ministry of Corporate Affairs.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

32. All documents referred to in the Notice and the Explanatory Statement shall be made available electronically for inspection by the Members of the Company, without payment of fees upto and including the date of AGM. Members seeking inspection of the aforementioned documents can send an email to *secretarial@bcml.in* with the subject line "Balrampur Chini Mills Limited – 47th AGM" from their registered e-mail addresses mentioning their names and folio numbers / demat account numbers.

33. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act shall be made available for inspection by the Members through electronic mode during the AGM.

34. FOR EASE OF PARTICIPATION BY MEMBERS, PROVIDED BELOW ARE KEY DETAILS REGARDING THE AGM FOR REFERENCE:

Sl. No.	Particulars	Details of access
a.	**Link of the AGM and for participation through VC/OAVM**	*https://emeetings.kfintech.com* by using e-voting credentials and clicking on video conference
b.	**Link for posting AGM queries and speaker registration and period of registration**	*https://emeetings.kfintech.com* by using e-voting credentials and clicking on "post your queries" / "Speaker registration" as the case may be. Period of registration: Wednesday, 16th August, 2023 (10:00 A.M. IST) upto Friday, 18th August, 2023 (5:00 P.M. IST).
c.	**Username and password for VC**	Members may attend the AGM through VC by accessing the link *https://emeetings.kfintech.com* by using the remote e-voting credentials. Please refer the instructions provided separately which forms part of the Notice.
d.	**Helpline number for VC participation and e-voting**	Contact KFin Technologies Limited at 1800-309-4001 or write to them at *evoting@kfintech.com*
e.	**Cut-off date for e-voting**	Saturday, 12th August, 2023
f.	**Time period for remote e-voting**	Commences on Wednesday, 16th August, 2023 (10:00 A.M. IST) and ends on Friday, 18th August, 2023 (5:00 P.M. IST).
g.	**Closure dates**	Sunday, 13th August, 2023 to Saturday, 19th August, 2023 (both days inclusive).
h.	**Last date for publishing results of the e-voting**	On or before Tuesday, 22nd August, 2023
i.	**Registrar and Transfer Agent - contact details**	KFin Technologies Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad–500032 Tel: 1800-309 4001 *www.kfintech.com*
j.	**Balrampur Chini Mills Limited – contact details**	234/3A, A. J. C. Bose Road, FMC Fortuna, 2nd Floor, Kolkata – 700020 *Email: secretarial@bcml.in*

As an ongoing endeavour to enhance Investor experience and leverage new technology, our RTA, KFin Technologies Limited has been continuously developing new applications. Here is a list of applications that has been developed by our RTA for the convenience of our Investors:

(a) **Investor Support Centre:** A webpage accessible via any browser enabled system. Investors can use a host of services like Post a Query, Raise a service request, Track the status of their DEMAT and REMAT request, Dividend status, Interest and Redemption status, Upload exemption forms (TDS), Download all ISR and other related forms. The same can be accessed from the following web-link:

https://ris.kfintech.com/clientservices/isc/default.aspx

(b) **eSign Facility:** Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination requires that eSign option be provided to Investors for raising service requests. The same can be accessed from the following web-link:

https://ris.kfintech.com/clientservices/isr/isr1.aspx?mode=f3Y5zP9DDNI%3d

(c) **KYC Status:** Shareholders can access the KYC status of their folio. The webpage has been created to ensure that shareholders have the requisite information regarding their folios. The same can be accessed from the following web-link:

https://ris.kfintech.com/clientservices/isc/kycqry.aspx

(d) **KPRISM:** A mobile application as well as a webpage which allows users to access Folio details, Interest and Dividend status, FAQs, ISR Forms and full suite of other investor services. The same can be accessed from the following web-link:

https://kprism.kfintech.com/signin.aspx

Place: Kolkata
Date: 15th July, 2023

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No: A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A. J. C. Bose Road, Kolkata-700020

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 READ TOGETHER WITH REGULATION 17(11) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND OTHER APPLICABLE LAWS (AS AMENDED)

The following Explanatory Statement sets out all material facts and recommendation of the Board of Directors of the Company relating to the Item Nos. 5, 6 and 7 of the accompanying Notice dated, 15th July, 2023:-

Item No. 5:

The Board, on recommendation of the Audit Committee, approved the appointment of M/s. Mani & Co., Cost Accountants (Firm Registration No.: 000004), as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company relating to Sugar (including Industrial Alcohol) Electricity, Fertilisers and Insecticides for the financial year ending 31st March, 2024 at a remuneration of ₹4,80,000 (Rupees Four Lakh Eighty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses (Last year's remuneration was ₹4,00,000 (Rupees Four Lakh only) plus applicable taxes and reimbursement of out-of-pocket expenses). In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, the Board of Directors of the Company recommends the resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2024, by Members of the Company by way of an Ordinary Resolution.

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

Item No. 6:

In terms of the provisions of the Companies Act, 2013, as amended, (the "Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "Listing Regulations") and the recommendation of the Nomination & Remuneration Committee, Dr. Indu Bhushan was appointed as an Additional Director (under the category of independent director) by the Board of Directors of the Company at its meeting held on 15th July, 2023, with effect from 17th July, 2023 and holds office upto the date of this Annual General Meeting.

Pursuant to the applicable provisions of Regulation 17(1C) of the Listing Regulations, his appointment shall require the approval of members of the Company within three months from the date of appointment or up to the date of next General Meeting, whichever is earlier.

Brief Profile of Dr. Bhushan

Dr. Indu Bhushan served as the Chief Executive Officer (CEO) of National Health Authority (NHA) and Ayushman Bharat – Pradhan Mantri Jan Arogya Yojna (AB-PMAY), a flagship health assurance scheme of the Government of India covering more than 500 million citizens from April 2018 to January 2021.

Dr. Bhushan is an ex-Indian Administrative Service (IAS) officer (1983 batch, Rajasthan Cadre). He is an alumnus of the prestigious Indian Institute of Technology, Banaras Hindu University (IIT-BHU), from where he completed his B.Tech in Electrical Engineering and Indian Institute of Technology (IIT) Delhi from where he completed his Post Graduate Diploma in Control System and Instrumentation. He holds a Ph.D. in Health Economics and is a Master of Health Sciences from John Hopkins University, USA and is also a Chartered Financial Analyst (CFA).

Dr. Bhushan's career spans over four decades across multiple sectors. He served for nine years in the IAS prior to working as Senior Economist with the World Bank group and then moved to Asian Development Bank (ADB) in 1997. Until his appointment as CEO of AB-PMAY, he served as Director-General, Strategy and Policy Department and has led ADB's engagement with several Asian economies including People's Republic of China. He administered and provided oversight to sectors like energy, environment, natural resources and agriculture, transport, public management, financial and regional cooperation and urban-social development.

The Company has received consent from Dr. Indu Bhushan to act as a director of the Company as prescribed under Section 152(5) of the Act. The Company had also received declaration from Dr. Indu Bhushan stating that he meets the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.

Further, pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, Dr. Bhushan has registered his name in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs ('Institute').

The Company had also received a declaration from Dr. Indu Bhushan stating that he is not disqualified from being appointed as a director in terms of Section 164 of the Act and that he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given his consent to act as Director of the Company as per BSE and NSE Circular dated 20th June, 2018.

The directorships held by Dr. Indu Bhushan are within the limits prescribed under the Act and Regulation 17A of the Listing Regulations. Further, in terms of Sections 149 and 152 of the Act, the office of Dr. Bhushan shall not be liable to retire by rotation.

A draft letter of appointment of Dr. Indu Bhushan as an Independent Director setting out the terms and conditions of his appointment and notice under Section 160 of the Act will also be available for inspection electronically up to the date of AGM.

Dr. Indu Bhushan does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In the opinion of the Board, Dr. Indu Bhushan is a person of integrity and possesses relevant expertise and experience and fulfills the conditions specified under the Act and the Listing Regulations for his appointment as an Independent Director of the Company and is independent of the management of the Company. The Board considers that based on Dr. Bhushan's skills, experience and knowledge, his association would be of immense benefit to the Company as an Independent Director.

Accordingly, the Board recommends appointment of Dr. Indu Bhushan as an Independent Director of the Company for a period of 5 (Five) years upto 16th July, 2028 for the approval by the members of the Company by way of a Special Resolution.

Brief resume of Dr. Indu Bhushan, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., are provided as Annexure hereto.

Except Dr. Indu Bhushan, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Revised Secretarial Standard on General Meetings (Revised) (SS-2) of ICSI. Other disclosures required under the Act, SS-2 and Regulation 36 of the Listing Regulations have been provided as an Annexure hereto.

Item No. 7:

The Board at its meeting held on 30th June, 2022, appointed Mr. Praveen Gupta as the Whole-time Director of the Company for a period of 3 (three) years commencing with effect from 1st July, 2022, till 30th June 2025. Thereafter the shareholders of the Company approved such appointment and remuneration at its 46th Annual General Meeting held on 27th August 2022.

Further, the Board of Directors at its Meeting held on 21st March 2023, had approved the BCML Employees Stock Appreciation Rights Plan 2023 ("ESAR 2023/ Plan"), for which the approval of the shareholders of the Company was received on 23rd April, 2023, for grant of Employees Stock Appreciation Rights (ESARs) to the employees of the Company and Whole-time Director under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

In terms of the above, the Board of Directors at its meeting held on 11th May, 2023 considered and approved the resolution for amending the remuneration structure of Mr. Gupta so as to accommodate ESARs, in case it is granted and/or allotted to Mr. Gupta, with the intention of incentivising and ensuring sustained growth in alignment with the organizational objectives.

Brief resume of Mr. Praveen Gupta, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between Directors inter-se, etc., are provided as Annexure to this Notice.

General terms and Conditions:-

(1) Mr. Praveen Gupta will inter alia lead the Corporate Technical Team (CTT) to ensure that the Units meet the technical excellence parameters as set by the CTT for increasing efficiency in operations and drive functional synergies across all units (cost, know-how and knowledge sharing) including ESG aspects. He will inter alia undertake identification of underperforming assets & way for improvement / modernisation thereof and will ensure EHS and other compliances in units. He shall further perform such other functions and duties as may be assigned to him, from time to time, by the Board/Management.

(2) Mr. Gupta shall not be paid any sitting fees for attending the meetings of the Board or its Committees.

(3) Mr. Gupta shall also visit such places from time to time, which may be necessary for the purpose of the business of the Company. Mr. Gupta shall be entitled to reimbursement of all the travelling, boarding,

lodging and incidental expenses, which he may incur for performing his duties in or outside Uttar Pradesh.

(4) Mr. Gupta shall be liable to retire by rotation and shall be reckoned as a Director for the purpose of determining the retirement of Directors by rotation or in fixing the number of Directors to retire but he shall immediately cease to be a Whole-time Director if he ceases to hold the office of Director for any reason.

(5) Mr. Gupta shall neither have any notice period nor any severance fees.

(6) Mr. Gupta, being the Whole-time Director of the Company, be allotted Employees Stock Appreciation Rights (ESARs), in accordance with the terms and conditions of the Plan for the time being in force.

(7) Remuneration:

(a) Fixed Pay:

₹74,40,000/- inclusive of salary and allowances, per annum or such other amount as may be determined by the Board of Directors of the Company, provided that increment if any during the subsequent years, shall not exceed 10% per annum of the fixed pay of preceding Financial Year.

(b) Annual performance linked incentive:

₹18,60,000/- (at 100% performance) or such sum as may be determined by the Nomination & Remuneration Committee and the Board from time to time, provided however that the total Variable Pay shall not exceed 25% of the annual fixed pay in any Financial Year.

The amount of annual performance linked incentive would be based on achievement of plant efficiency and sustainability parameters including other performance metrics. Further the Nomination & Remuneration Committee and/or Board of Directors would vary / alter the performance parameters/ metrics from time to time.

(c) Perquisites:

As per Company's policy(s) or as approved by the Board from time to time, provided that the aggregate value of the perquisites, (excluding ESAR grants/ allotments as mentioned hereinabove) shall not exceed 25% of the fixed pay in any Financial Year.

Where in any Financial Year(s) during the currency of the tenure of Mr. Praveen Gupta as a Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Praveen Gupta in respect of such Financial Year(s) in which such inadequacy or loss arises or for a period of three years, (whichever is lower), the remuneration as set out above by way of consolidated salary and perquisites as minimum remuneration, in accordance with the provisions of Section 197 and/or Schedule V to the Companies Act, 2013 ('the Act') or under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or under any other law for the time being in force, if any.

Pursuant to the provisions of Schedule V to the Act, the following information is being provided to the Members. The Board will provide other information (which is not available as on the date of this Notice) in the year in which Schedule V to the Act will be applicable due to having inadequate profit or loss in the Company.

General Information

1. **Nature of industry:**
   Manufacturing of Sugar, Ethanol, Industrial Alcohol and Co-generation of Power.

2. **Date of commencement of commercial production:**
   Existing Company, already in operation since 1975.

3. **Financial performance (Standalone) based on given indicators**

(₹ In Crore)

Particulars	March 2019	March 2020	March 2021	March 2022	March 2023
Revenue from operations	4,285.78	4,741.29	4,811.66	4,846.03	4665.86
Other income	42.75	38.55	33.45	47.91	62.79
Total income	**4,328.53**	**4,779.84**	**4,845.11**	**4,893.94**	**4728.65**
Stock adjustments	(538.36)	37.34	(55.83)	194.42	(10.16)
Cost of material consumed	3,595.41	3,464.15	3,511.86	3,261.73	3419.40
Gross profit	**1,271.48**	**1,278.35**	**1,389.08**	**1,437.79**	**1319.41**
Overheads	539.66	557.83	641.79	690.18	744.29

(₹ In Crore)

Particulars	March 2019	March 2020	March 2021	March 2022	March 2023
PBDIT	**731.82**	**720.52**	**747.29**	**747.61**	**575.12**
Finance costs	40.94	64.17	39.30	30.87	48.65
PBDT	**690.88**	**656.35**	**707.99**	**716.74**	**526.47**
Depreciation and amortisation expenses	95.85	101.42	111.88	113.86	129.50
Profit before tax and exceptional items	**595.03**	**554.93**	**596.11**	**602.88**	**396.77**
Exceptional items	-	-	-	52.74	-
Profit before Tax	**595.03**	**554.93**	**596.11**	**655.62**	**396.77**
Tax	24.39	45.65	126.34	140.96	121.44
Profit for the year	**570.64**	**509.28**	**469.77**	**514.66**	**275.53**
Other comprehensive income (net of tax)	(5.14)	(7.01)	(0.56)	(3.62)	(6.22)
Total comprehensive income (TCI)	565.50	502.27	469.21	511.04	269.31
Equity capital	22.84	22.00	21.00	20.40	20.17
Reserves	2,059.86	2,348.41	2,542.85	2,737.76	2855.26

4. **Foreign investments or collaborations, if any:** None

Information about Mr. Praveen Gupta:

1. **Background details**

Currently, Mr. Praveen Gupta is a Whole-time Director of the Company. With over 40 years of work experience of which nearly 15 years have been spent with the Company, Mr. Gupta has spearheaded operations, expansion and new technologies implementation in various leadership roles. Quintessentially a people's person, he has led consensus driven growth across categories and organizations. He has been essaying a chief role in the ongoing migration of BCML towards the more value-accretive segments. He leads CTT, to build technical excellence around engineering & process functions that may drive accountability for business results, with focus on standardization & streamlining of operations & maintenance processes across all manufacturing units of the Company.

Following early short stints at Telco, Usha Breco and Hindustan Development Corporation, Mr. Gupta entered the Sugar industry in 1993 when he joined as Vice President at Upper Ganges Sugars and Industries Ltd. He joined the Company after 15 years at Upper Ganges. Mr. Gupta earned his P.G.D.B.M. from IIM, Kolkata in 1984 after completing his Mechanical Engineering from the Delhi College of Engineering, Delhi. He is also an alumnus of the Birla Public School, Pilani.

2. **Past Remuneration**

Mr. Gupta has drawn a remuneration of ₹70.43 Lakh with effect from 1st July, 2022 till 31st March, 2023 in the capacity of a Whole-time Director.

3. **Recognition or awards**

None

4. **Job Profile and his suitability**

Mr. Gupta has been engaged in various activities related to the operations of the Company and has headed various Units of the Company. He plays a very crucial role for driving technical excellence across the Units. As a Whole-time Director, his dedication and holistic involvement for the operations of the Company is very much necessitated. The said remuneration change to Mr. Gupta is justified having regard to the responsibilities, which he is called upon to bear as a Whole-time Director of the Company.

5. **Remuneration proposed**

As detailed above in the Explanatory Statement.

6. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.**

Mr. Praveen Gupta has contributed significantly in the operations of the Company and same is elaborated above. The proposed revision in remuneration is also based on benchmarking standards with respect to size of the operations of the Company and the profile of the position. The Nomination & Remuneration Committee and the Board therefore, considers that the proposed remuneration change is justified.

7. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director**

Apart from receiving remuneration, as stated above, Mr. Praveen Gupta does not have any other pecuniary relationship with the Company or with any Director or managerial personnel of the Company.

Other information

1. **Reasons for loss or inadequate profits:** The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

2. **Steps taken or proposed to be taken for improvement:** The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

3. **Expected increase in productivity and profits in measurable terms:** The related information will be provided in the Board's Report prepared for the relevant year in which inadequate profit/loss arises.

Disclosures

Disclosures pursuant to Schedule V to the Act are given in the Explanatory Statement hereinbefore and in the Corporate Governance Report which is annexed to the Board's Report.

Other disclosures required under the Act, Secretarial Standard 2 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) have been provided as an Annexure to this Notice.

The Board, therefore, recommends the Special Resolution as set out at Item No. 7 of this Notice for approval by the Members.

Mr. Praveen Gupta is concerned or interested in the Resolution as it relates to the remuneration payable to him. None of the other Directors and Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the Resolution.

Place: Kolkata
Date: 15th July, 2023

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No: A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A. J. C. Bose Road, Kolkata-700020

Annexure to the Notice

As per the requirement of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Clause 1.2.5 of the Secretarial Standard on General Meetings (Revised) - 2 as issued by the Institute of Company Secretaries of India, a statement containing the requisite details of the concerned Directors is given below:

Name	Dr. Indu Bhushan	Mr. Praveen Gupta
DIN	09302960	09651564
Date of Birth	6th January, 1961	25th March, 1959
Age	62 years	64 years
Profile	**Dr. Indu Bhushan** served as the Chief Executive Officer (CEO) of National Health Authority (NHA) and Ayushman Bharat – Pradhan Mantri Jan Arogya Yojna (AB-PMAY), a flagship health assurance scheme of the Government of India covering more than 500 million citizens from April 2018 to January 2021. Dr. Bhushan is an ex-Indian Administrative Service (IAS) officer (1983 batch, Rajasthan Cadre). He is an alumnus of the prestigious Indian Institute of Technology, Banaras Hindu University (IIT-BHU), from where he completed his B.Tech in Electrical Engineering and Indian Institute of Technology (IIT) Delhi from where he completed his Post Graduate Diploma in Control System and Instrumentation. He holds a Ph.D. in Health Economics and is a Master of Health Sciences from John Hopkins University, USA and is also a Chartered Financial Analyst (CFA). Dr. Bhushan's career spans over four decades across multiple sectors. He served for nine years in the IAS prior to working as Senior Economist with the World Bank group and then moved to Asian Development Bank (ADB) in 1997. Until his appointment as CEO of AB-PMAY, he served as Director-General, Strategy and Policy Department and has led ADB's engagement with several Asian economies including People's Republic of China. He administered and provided oversight to sectors like energy, environment, natural resources and agriculture, transport, public management, financial and regional cooperation and urban-social development. He has been bestowed with various recognition, honor and awards including the Distinguished Alumnus Award 2021-22 from Indian Institute of Technology, BHU; Global Achievement Award 2020 from Johns Hopkins University and Gold Medal for E-Governance 2019 from Department of Administrative Reforms and Public Grievances, Government of India. Currently, he is associated as a Board member with prestigious companies and non-profit organizations globally.	With over 40 years of work experience of which nearly 15 have been spent with the Company, **Mr. Praveen Gupta** has spearheaded operations, expansion and new technologies implementation in various leadership roles. Quintessentially a people's person, he has led consensus driven growth across categories and organizations. He has been essaying a chief role in the ongoing migration of BCML towards the more value-accretive segments. He leads Corporate Technical Team, to build technical excellence around engineering & process functions that may drive accountability for business results, with focus on standardization & streamlining of operations & maintenance processes across all manufacturing units of BCML.

Name	Dr. Indu Bhushan	Mr. Praveen Gupta
Qualification	(a) Certified Financial Analyst (CFA) (2014) (b) PhD, Health Economics, School of Hygiene and Public Health, The Johns Hopkins University, Baltimore, USA (1995) (c) Master of Health Sciences, School of Hygiene and Public Health, The Johns Hopkins University, Baltimore, USA (1993) (d) Post Graduate Diploma, Control Systems and Instrumentation, Indian Institute of Technology, Delhi, India (1983) (e) Bachelor of Technology, Electrical Engineering, Indian Institute of Technology, Banaras Hindu University, Varanasi, India (1981); Gold Medalist	M. B. A. from Indian Institute of Management, Kolkata and Bachelors in Engineering in Mechanical Engineering from Delhi College of Engineering.
Experience and Expertise in specific functional area	With over 36 years of work experience, Dr. Indu Bhusan Shall provide oversight on governance with strong focus on social, economic and technology perspectives. Dr. Bhushan is having the following skills / Expertise viz. Accounting and Finance; Industry Knowledge; Business Planning and Strategy; Economics; Leadership; Information Technology; Human resource Management; Engineering and Technology; Agri research & development; Understanding of relevant laws, rules, regulation and policy; Interpersonal Relations.	With over 40 years of work experience, Mr. Praveen Gupta has spearheaded operations, expansion and new technologies implementation in various leadership roles. Mr. Gupta is having the following Skills / Expertise viz. Industry Experience; Industry knowledge; Understanding of relevant laws, rules, regulation and policy; Engineering and Technology; Corporate Affairs; Leadership; Interpersonal Relations; Business Planning and Strategy.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	The Board of Directors appointed with effect from 17th July, 2023 as an Additional cum-Independent Director as per the terms and conditions of appointment as Independent Director, as displayed on the Company's website at the following weblink: https://chini.com/sustainability/governance/	Appointed as a Whole-time Director with effect from 1st July, 2022. His office is liable to retire by rotation. He is entitled to receive Fixed Pay, Annual Performance Linked Incentive and Perquisites. The remuneration details form part of the Explanatory Statement.
Remuneration last drawn by such person, if applicable	N.A.	Mr. Gupta has drawn a remuneration of ₹70.43 Lakh with effect from 1st July, 2022 till 31st March, 2023 in the capacity of a Whole-time Director.
Remuneration sought to be paid	He shall be entitled to receive commission in terms of the Special Resolution passed by the Shareholders at the AGM held on 30th August, 2019 and sitting fees as per the provisions of the Companies Act, 2013	In terms of the Special Resolution passed by the Shareholders at the AGM held on 27th August, 2022
Date of first appointment on the Board	17th July, 2023	1st July, 2022
Membership/ Chairmanship of Committees of the Board of the Company	N.A.	Environment, Social and Governance (ESG) Committee (w.e.f. 1st July, 2022) Executive Committee (w.e.f 4th August, 2022)

Name	Dr. Indu Bhushan	Mr. Praveen Gupta
Other Directorships and Membership / Chairmanship of Committees of other Boards	**Companies (excluding foreign companies):** (a) Godrej Properties Limited (b) Apollo Healthco Limited (c) Resolve To Save Lives India Foundation (d) Swasth Digital Health Foundation (e) Vidhi Centre For Legal Policy **Membership in other Board Committees:** Godrej Properties Limited – Audit Committee and Nomination and Remuneration Committee.	None
Listed entities from which resigned in the past three years	Nil	Nil
No. of shares held in the Company	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None
No. of Meetings of the Board attended during the year	None	4 out of 5 during the year 2022-2023

Place: Kolkata
Date: 15th July, 2023

By order of the Board of Directors
For **Balrampur Chini Mills Limited**

Sd/-
Manoj Agarwal
Company Secretary and Compliance Officer
Membership No: A18009

Registered Office:
FMC Fortuna, 2nd Floor,
234/3A, A. J. C. Bose Road, Kolkata-700020

STRETCH

Building a larger, more sustainable and more governance-driven Company

Balrampur Chini Mills Limited

Integrated Annual Report 2022-23

Contents

Corporate overview

Statutory Report

Financial Section

Forward-looking statement

In this Integrated Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Assurance regarding Integrated Reporting

Balrampur Chini Mills Limited (referred to 'BCML' or 'the Company') is pleased to present the first Integrated Report ('Report') prepared in accordance with the framework developed by the International Integrated Reporting Council (IIRC), Global Reporting Initiative (GRI) Standards and Securities and Exchange Board of India (SEBI).

The non-financial information presented in this Report has been assured by SGS India Private Limited, an independent third-party assurance provider as per the Assurance Statement.

5 messages of this Integrated Annual Report

1 Balrampur Chini Mills completed yet another distillery capacity expansion in FY23

2 The Company's cane development programme revived crop output after two seasons of decline

3 The Company is progressively right-sizing its Balance Sheet following increased distillery revenues

4 The Company is poised at the cusp of its next growth phase

5 The Company announced its sixth equity share buyback in six years

Part 1

What we are, what we do and how we have performed

Balrampur Chini Mills Limited is among the largest private sector sugar companies in India.

The Company is also among the largest cane-based distillery companies in Uttar Pradesh.

The Company is graduating from its conventional sugar personality to bio-fuels (ethanol and clean power).

This is expected to enhance responsibility, profitability and sustainability.

Background

Balrampur Chini Mills Limited is among the largest integrated private sector sugar companies in India. The Company is led by Mr. Vivek Saraogi and managed by experienced professionals.

Businesses

The Company generates revenues from its business of sugar and ethanol, among others. It generated 78.50% of revenues from sugar business and 21.06% from distillery business during FY 22-23.

Presence

The Company's headquarters are in Kolkata, India. The Company possesses 10 sugar factories across the cane-rich belts of Eastern and Central Uttar Pradesh, 5 distilleries and 10 co-generation units, among the largest integrated complements in India's sugar sector. The Company's manufacturing facilities are located in Balrampur, Babhnan, Tulsipur, Akbarpur, Gularia, Maizapur, Mankapur, Rauzagaon, Haidergarh and Kumbhi.

Pioneering

- The Company was among the first in India's sugar industry to moderate an excessive reliance on sugar and enhance distillery and co-generated power revenues
- The Company was one of the first Indian sugar companies to commission an incinerator boiler in its distillery, becoming zero discharge in the process, empowering the distillery to operate 330 days a year (compared to the erstwhile 270 days)
- The Company emerged as a liquid and under-borrowed company
- The Company rewarded shareholders with six equity buybacks in six years coupled with dividends, unprecedented in India's agro sector
- The Company acquired loss making sugar units that were turned around, enhancing sectorial productivity
- The Company was among the first sugar companies to digitally transfer cane payment to farmers
- The Company is possibly the first in India to operate a 320 KLPD distillery (Maizapur) entirely using sugarcane syrup, a decisive step towards clean fuel generation

Talent

The Company possesses skilled and talented professionals with diverse experience across agriculture, IT, manufacturing and ESG, among others. The Company's talent pool stood at 6270 as on 31st March, 2023. Around 80.67% of the employees had been associated with the Company for five years ending FY 2022-23.

State-of-the-art

The Company made prudent investments in cutting-edge technologies, which helped enhance operating efficiency and environment responsibility. The Company helped enhance farm yields by distributing high yielding seeds.

Responsible

The Company focuses on environment responsibility through proactive investments that have incinerated waste, moderated water consumption, recycled effluents discharge and gainfully utilized byproducts.

Ratings

The long-term credit rating of the Company continued at AA+ with a stable outlook; the short term rating was re-affirmed at A1+ by CRISIL

Listing

The Company is listed on the BSE Limited (scrip code: 500038) and National Stock Exchange of India Limited (symbol: BALRAMCHIN) where its equity shares are actively traded. The market capitalisation of the Company was ₹7984.23 crore as on 31st March, 2023; promoter shareholding in the Company was 42.90%.

Certifications

Balrampur achieved the prestigious Bonsucro certification for its Rauzagaon unit. The Company's initiatives improved hygiene and sanitation and translated into the FSSC 22000 certification across the Mankapur, Rauzagaon and Kumbhi manufacturing units.

Our manufacturing units

10
Number of sugar units

5
Number of distillery units

10
Number of co-generation units

Our capacities

80,000
(2000 TCD under implementation) TCD cane crushing capacity per day

1050
Kilolitres per day (KLPD) of distillery capacity

175.7
MW saleable co-generation capacity

Balrampur Chini Mills: FY 22-23 snapshot

4665.86
Revenue from operations (₹ crore)

512.32
EBITDA (₹ crore)

269.31
Total comprehensive income (₹ crore)

93.66
Cane crushed (lakhs tonnes)

8.83
Sugar produced (post diversion) (lakhs tonnes)

1.02

Sugar sacrificed (under the cane syrup route) (lakhs tonnes)

0.96

Sugar sacrificed (under the B-heavy route) (lakhs tonnes)

21.49

Alcohol produced (crore litres)

71.87

Power co-generated (crore units)

9.43

Sugar recovery achieved (post diversion) (%)

6270

Number of employees

Our journey across the decades

1975-1989

Our building blocks

1975: The Balrampur unit went into business with a crushing capacity of 800 TCD; this capacity was subsequently enhanced to 12,500 TCD.

1976: By an indenture of conveyance, Balrampur Commercial Enterprises Limited (BCEL) came under the aegis of BCML with a transfer of land parcels, buildings, assets and the entire staff of the sugar factory. BCML ceased to be a subsidiary of BCEL.

1979: The shares were listed on the Calcutta Stock Exchange in 1979

1990-1999

Growth phase

1990: Acquired a controlling stake in Babhnan Sugar Mill Limited (crushing capacity 1,000 TCD in 1990). The mill was expanded and modernised, resulting in an increased crushing capacity from 2,500 TCD in 1992-93 to 10,000 TCD presently (Babhnan Sugar Mills Limited was merged with BCML from 1st April, 1994).

1995: Commissioned a distillery in Balrampur; the capacity of 60 KLPD was subsequently raised to 160 KLPD and has been further expanded to 330 KLPD.

1999: Acquired a controlling stake in Tulsipur Sugar Company Limited, located near Balrampur in Eastern Uttar Pradesh (installed capacity 2,500 TCD). Tulsipur Sugar Company Limited was merged with BCML from 1st April 1999; the crushing capacity of Tulsipur Sugar was subsequently expanded to 7,000 TCD.

2000-2014

Integrated growth

2004: Established a greenfield integrated sugar complex at Haidergarh with a crushing capacity of 4,000 TCD and a bagasse-based co-generation power plant (20.25 MW). Crushing and co-generation capacity were enhanced to 5,000 TCD and 23.25 MW respectively.

Installed a distillery of 60 KLPD at Babhnan, which was eventually increased to 100 KLPD.

Started a co-generation plant at the Babhnan unit (3 MW subsequently expanded to 27.76 MW).

2005: Established a greenfield integrated sugar complex at Akbarpur with a crushing capacity of 7,000 TCD, coupled with a bagasse-based co-generation power plant (18MW). The crushing capacity was enhanced to 7,500 TCD.

2006: Established a greenfield integrated sugar complex at Mankapur with a crushing capacity of 8,000 TCD, coupled with a bagasse-based co-generation power plant (34 MW) and 100 KLPD distillery. The plant's co-generation capacity was enhanced to 43.60 MW.

2007: Established a greenfield integrated sugar complex at Kumbhi, with a crushing capacity of 8,000 TCD (being further expanded to 10000 TCD) coupled with bagasse-based co-generation power plant (20 MW). The co-generation capacity was enhanced to 32.70 MW.

A greenfield integrated sugar complex was established at Gularia, with a crushing capacity of 8,000 TCD, coupled with a bagasse-based co-generation power plant (31.3 MW). The plant's co-generation capacity was enhanced to 38.86 MW.

Second phase of integrated growth

2000-2014

Acquired an integrated sugar unit at Rauzagaon from Dhampur Sugar Mills Ltd. The unit (with a crushing potential of 7,500 TCD and producing 12 MW of power) was enhanced to 8,000 TCD; co-generation capacity was increased to 25.75 MW.

Acquired a 53.96% stake in Indo Gulf Industries Limited (IGIL). IGIL had a sugar unit with a crushing capacity of 3,000 TCD at Maizapur. The sugar division was demerged from IGIL and merged with BCML and sugarcane crushing capacity was subsequently expanded to 4000 TCD. In 2017, BCML sold its entire stake in IGIL following an open offer.

2015-2023

Commitment towards environment and shareholders

2015-2023

Invested in incinerators at distilleries to achieve zero liquid discharge of effluents, empowering the Company to operate the distillery for an additional 60 days a year.

In the last six years, the Company engaged in six share buybacks with a cumulative payout of ₹1009.49 crore (including tax ₹110.73 crore) along with a cumulative dividend payout of ₹360.23 crore (including dividend distribution tax ₹35.01 crore).

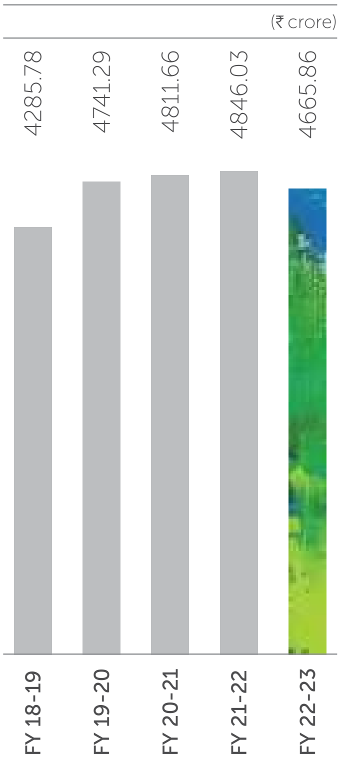
The Company commissioned a 160 KLPD distillery at Gularia to produce ethanol (expanded to 200 KLPD).

The Company commissioned its fifth distillery with a capacity of 320 KLPD at Maizapur.

The Company completed the expansion of its Balrampur distillery from 160 KLPD to 330 KLPD.

The Company possesses one of the largest distillery capacities in the Uttar Pradesh sugar industry.

Our robust financial performance across the years

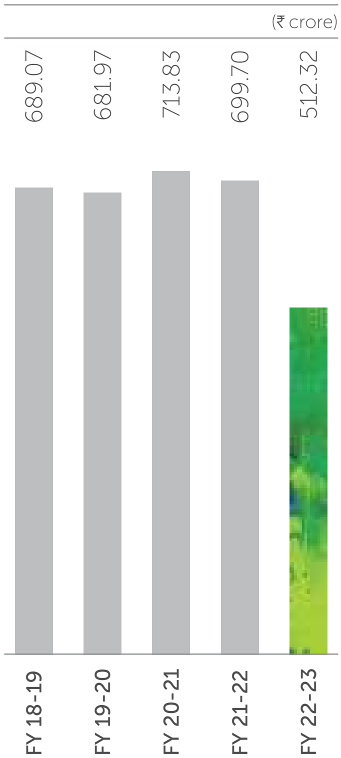


Revenues

Definition
Growth in sales

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

Performance
Revenues were lower by 3.7% to ₹4665.86 crore in FY 22-23 on account of lower sugar volumes based on a monthly release mechanism that was partly off-set by higher distillery volumes and higher realizations in both segments.

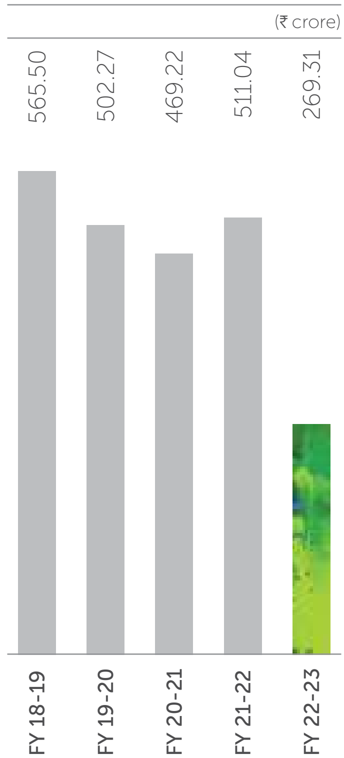


EBITDA

Definition
Earnings before the deduction of interest, depreciation, exceptional items and tax.

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

Performance
The Company reported a 26.8% decline in EBITDA in FY 22-23 owing to lower sugar sales volumes.

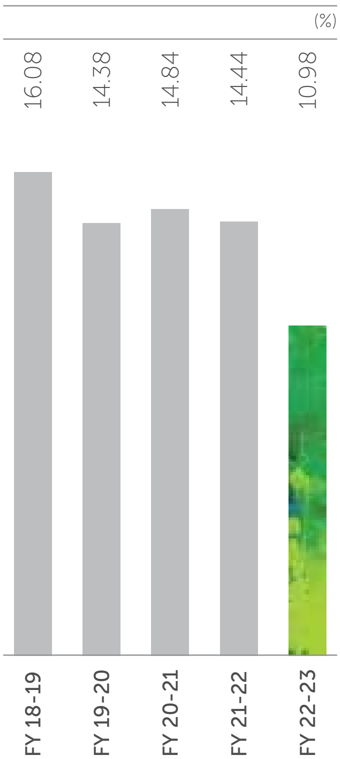


Total comprehensive income

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

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

Performance
The Company reported a 47.3% decline in total comprehensive income in FY 22-23 owing to lower sugar volumes, increased tax and interest costs.



EBITDA margin

Definition

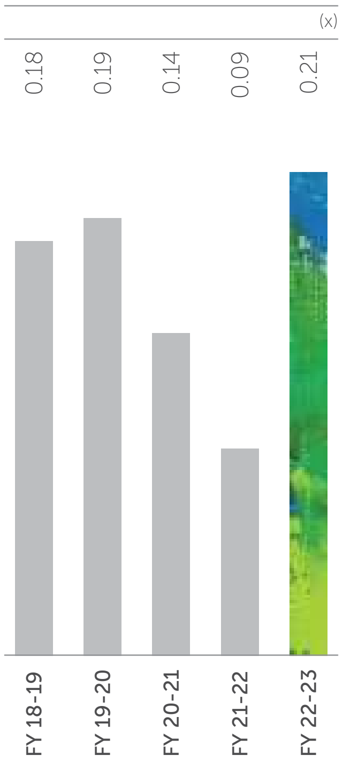
EBITDA margin is a profitability measure to ascertain a company's operating efficiency.

Why is this measured?

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

Performance

The Company's EBITDA margin was lower by 346 bps due to lower sugar sales volumes.



Gearing

Definition

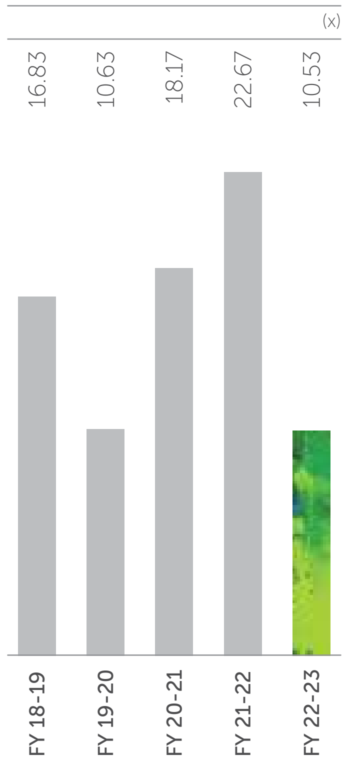
This is derived through the ratio of long-term debt to networth

Why is this measured?

This is one of the defining measures of a Company's solvency

Performance

The Company's long-term gearing was 0.21 at the end of the year. The gearing was higher on account of fresh loans availed for part-financing the capex.



Interest cover

Definition

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

Why is this measured?

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

Performance

The Company's interest cover for FY22-23 stood at a comfortable 10.53x compared to 22.67x in FY 21-22.

Financial and operational performance, FY 22-23

Financial performance (₹ crore)

Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Revenue from operations	4,285.78	4,741.29	4,811.66	4,846.03	4,665.86
Other income	42.75	38.55	33.45	47.91	62.79
Total income	**4,328.53**	**4,779.84**	**4,845.11**	**4,893.94**	**4,728.65**
Stock adjustments	(538.36)	37.34	(55.83)	194.42	(10.16)
Cost of material consumed	3,595.41	3,464.15	3,511.86	3,261.73	3,419.40
Gross profit	**1,271.48**	**1,278.35**	**1,389.08**	**1,437.79**	**1,319.41**
Overheads	539.66	557.83	641.79	690.18	744.29
PBDIT	**731.82**	**720.52**	**747.29**	**747.61**	**575.12**
Finance costs	40.94	64.17	39.30	30.87	48.65
PBDT	**690.88**	**656.35**	**707.99**	**716.74**	**526.47**
Depreciation and amortisation expenses	95.85	101.42	111.88	113.86	129.50
Profit before tax and exceptional items	**595.03**	**554.93**	**596.11**	**602.88**	**396.97**
Exceptional items	-	-	-	52.74	-
Profit before tax	**595.03**	**554.93**	**596.11**	**655.62**	**396.97**
Tax	24.39	45.65	126.34	140.96	121.44
Profit for the year	**570.64**	**509.28**	**469.77**	**514.66**	**275.53**
Other comprehensive income (net of tax)	(5.14)	(7.01)	(0.56)	(3.62)	(6.22)
Total comprehensive income (TCI)	**565.50**	**502.27**	**469.21**	**511.04**	**269.31**
Equity capital	**22.84**	**22.00**	**21.00**	**20.40**	**20.17**
Reserves	**2,059.86**	**2,348.41**	**2,542.85**	**2,737.76**	**2,855.26**

Value-added statement (₹ crore)

Particulars	March 19	March 20	March 21	March 22	March 23
Income from operations	4,824.14	4,703.96	4,867.49	4,651.61	4,676.02
Add: Other income	42.75	38.55	33.45	47.91	62.79
Value added	4,866.89	4,742.51	4,900.94	4.699.52	4,738.81
Less: Cost of materials consumed	3,595.41	3,464.16	3,511.86	3,261.73	3,419.40
Less: Other manufacturing expenses	309.20	303.84	360.14	382.38	380.50
Equals gross value-added	962.28	974.51	1,028.94	1,055.41	938.91
Less: Depreciation and amortisation expenses	95.85	101.42	111.88	113.86	129.50
Exceptional items	-	-	-	52.74	-
Equals net value-added	**866.43**	**873.09**	**917.06**	**994.29**	**809.41**
Allocation of net value-added					
To Employees	238.36	265.70	281.65	307.80	363.79
To Government (via Taxes)	33.37	53.43	168.27	190.83	140.37
To Bankers (via interest)	40.94	64.17	39.30	30.87	48.65
To Investors (via dividend)	57.11	55.00	52.50	51.01	50.84
To Investors (via buy-back)	-	147.67	180.00	215.24	81.85
To the Company (via retained earnings)	496.65	286.67	195.34	194.54	123.91

Key financial numbers

Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Overhead / Revenue from operations	12.59	11.77	13.34	14.24	15.95
EBITDA / Revenue from operations	16.08	14.38	14.84	14.44	10.98
Interest / Revenue from operations	0.96	1.35	0.82	0.64	1.04
Interest cover (times)	16.83	10.63	18.17	22.67	10.53
PBDT/Total revenue (%)	16.12	13.84	14.71	14.79	11.28
TCI/Total revenue (%)	13.19	10.59	9.75	10.55	5.77
Return on net worth (%)	32.02	23.43	19.46	19.73	9.97
Return on capital employed (%)	27.88	21.77	21.55	20.72	12.55

Balance Sheet ratios

Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Debt-equity ratio	0.18	0.19	0.14	0.09	0.21
Inventory turnover (days)	175	177	177	172	177
Current ratio	1.37	1.46	1.63	1.60	1.31
Quick ratio	0.31	0.31	0.22	0.12	0.13
Asset turnover (total revenue/total assets)	1.03	1.01	1.03	1.07	0.94
Fixed asset coverage ratio	3.91	3.65	4.44	7.15	4.25
Debt-service coverage ratio	7.00	4.57	4.28	4.52	1.93

Growth numbers

Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Growth in turnover (%)	(2.61)	10.63	1.48	0.71	(3.72)
Growth in EBITDA (%)	52.57	(1.03)	4.67	(1.98)	(26.78)

Per share data

Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Basic EPS (₹)	24.98	22.98	22.01	24.86	13.51
CEPS (₹)	29.18	27.56	27.25	30.36	19.87
Dividend (₹ per share)	2.50	2.50	2.50	2.50	2.50
Book value (₹)	91.17	107.75	122.09	135.18	142.53
Net indebtedness (₹) **	16.45	20.38	17.31	12.59	30.60

** only on long term borrowings

Capacities in FY 22-23

Unit	Sugar crushing (tonnes of cane per day)	Distillery (Kilolitres per day)	Installed co-generation capacity (megawatts)	Saleable co-generation capacity (megawatts)	Agro (metric tonnes)
Balrampur	12500	330	53.05	27.25	50
Babhnan	10000	100	27.76	10.00	-
Tulsipur	7000	-	9.00	2.00	-
Haidergarh	5000	-	23.25	20.95	-
Akbarpur	7500	-	18.00	11.00	-
Mankapur	8000	100	43.60	30.00	100
Rauzagaon	8000	-	25.75	23.00	-
Kumbhi*	10000	-	32.70	23.00	-
Gularia	8000	200	38.86	23.50	100
Maizapur	4000	320	10.00	5.00	-
Total	**80000**	**1050**	**281.97**	**175.70**	**250**

* 2000 TCD expansion under implementation

Part 2

Perspectives of the Company's management

Through a holistic 'safety' commitment, we expect to emerge as a model company that stakeholders would be proud to associate with

Overview

The word 'safety' represents the gist of my message to shareholders.

This will surprise stakeholders who have been used to my overview of the sugar, ethanol and co-generation businesses for years.

The time has come to communicate that our annual performance is the outcome of an enduring reality; that the prospects of our business are an outcome of something fundamental to the Company's health; that there is a larger consistent background that makes our annual performance happen.

That 'S' word is what my overview will be about.

Rationale

There is a growing premium on stability in the modern world.

The pandemic came with speed and fury that transformed the way we live. The Russia-Ukraine war transformed the geo-politics of the world. The world is moving towards a 'China plus one' supply chain that could transform global realities. The sweeping change in technologies is threatening the way the world has lived. These realities are requiring humankind to reappraise and adapt. Besides, these realities are warranting a new way of doing things.

At Balrampur Chini Mills, 'safety' threads our challenges, enhances clarity and deepens our resolve to become more predictable, responsible and sustainable.

Applications

Conventionally, the word safety was analysed only from an operational perspective, marked by a commitment towards protective clothing, standard operating protocols, relevant signage and standardised equipment.

The connotation of this word has extended across the organization, touched every function and come to stand for the need to protect the interest of all stakeholders.

At our Company, the four applications of this word – safety - extend across people, processes, environment and stakeholders. We are committed to make our Company safer across each of these applications. Our focus lies in creating a platform of practices that address this priority.

This represents the core of our governance process and will attract stakeholders who do not wish to be presented with unexpected systemic shocks. The result is that we are increasingly convinced that in a volatile world, predictability and stability will lead to sustainability.

Physical safety

At Balrampur, we employ 6270 individuals. Nearly 97% of our people are deployed across our factories, where our people are exposed to manufacturing activity and related challenges. In a business marked by dozens of processes, comprising the use of high temperature, chemicals, vapour and liquid transfers, there is a premium on safety.

At Balrampur, we have always enunciated the objective of being able to return our employees home as they were when they came to our plants. Creating ideal working conditions in a plant is one thing; when one needs to do this across ten manufacturing facilities scattered across regions the challenge becomes diverse. In such an environment, there is a need to create a common culture; there is a priority in marching to the beat of a single drummer; there is a need to be on the same strategic and tactical page.

At Balrampur, we seek to create a uniform multi-plant culture that speaks the same safety language. We wish to graduate our business to a point where our safety commitment becomes plant-agnostic and plant head-independent. We seek to build one company, one culture and one priority irrespective of our geographies and businesses.

This cultural unification will warrant a more intensive worker engagement, sensitisation and training. The Company will need to graduate mindsets to the next level. The Company will need to create a culture of benchmarking and best practices. The Company will need to drive aspirations to achieve the safety standards prevalent in developed countries. The Company will need to prepare workers for a new world.

At Balrampur, we seek to create a uniform multi-plant culture that speaks the same safety language. We wish to graduate our business to a point where our safety commitment becomes plant-agnostic and plant head-independent.

Equipment safety

At Balrampur, we are engaged in the most intensive modernisation programme in our existence.

Several of our manufacturing facilities are decades old; the aggressive expansion programmes of the past resulted in capacities being built over the existing plant structure; besides, a number of machines were around for years and now need to be replaced.

This requires a redefining of safety standards and ushered Balrampur into its second safety agenda: safe equipment and technologies.

So, the Company is not only aggressively persuing state-of-the art automation and control systems driving predictive and condition-based tracking of equipment health, but also creating safe and reliable machine operations .

The time has come to initiate the first steps towards a phased managerial succession plan. In the first phase, the culture of meritocracy is being extended to create more leaders and then a cluster of leaders representing specific functions. This cluster is being empowered with a range of tactical decisions that leaves the hands-on promoter to engage in strategic goal setting.

At Balrampur, we believe in safe man, safe machine & safe operations that coexist in a safe environment. We believe that this priority comes at the right time: the world is passing through extensive digitalization. The modern equipment that we have invested in cover advanced testing techniques, proactive alerts, intelligent systems and plc controls. In doing so, we believe we are creating the framework intended to drive the next round of the Company's growth with the best industrial safety standards. The focus is on training human resources to utilise this technology for enhanced ease of performance the work effectively and efficiently.

By investing in advanced digitalized equipment, we will be empowered to consume a lower quantity of finite natural resources, reduce pollution well below statutory norms, reduce material discharge and emerge as an industrial sustainability model.

We believe that this investment will graduate Balrampur from a perpetual war room environment during the crushing season into one marked by stability and predictability. This investment is expected to moderate unplanned downtime, enhancing capacity utilisation. Besides, the safety of equipment controls will enhance worker confidence and productivity – attracting a better pedigree of recruit.

Culture safety

At Balrampur, we have been a family-owned business for decades even as the business has been run by professional managers.

The time has come to initiate the first steps towards a phased managerial succession plan. In the first phase, the culture of meritocracy is being extended to create more leaders and then a cluster of leaders representing specific functions. This cluster is being empowered with a range of tactical decisions that leaves the hands-on promoter to engage in strategic goal setting.

This is not something that will happen at a future date; this is already transpiring. Balrampur engaged in six concurrent projects during the last financial year across different manufacturing facilities. These projects were driven by professional managers, and designed to graduate the Company's scale and profitability to the next level.

Stakeholder safety

At Balrampur, we are engaged in protecting the interests of our stakeholders.

This assurance runs across all stakeholders – we service consumers with the highest standard of product integrity; we service the needs of lenders with timely repayment; we address the needs of shareholders with periodic share buybacks and dividend; we provide our employees with a secure experience-enhancing workplace; we pay our vendors (farmers) within 10 days against the stipulated requirement of 14 days, one of the shortest tenures in India's sugar industry; we spend nearly 85% of our CSR budget in and around the factories of our presence; we pay our taxes on time and in full to the government.

Conclusion

At Balrampur, we will do what we did in the past – if only more aggressively – in making our Company safer for all stakeholders.

We expect to grow on the basis of our commitment to enhance value for all our stakeholders in a sustainable way.

In doing so, we expect to emerge as a model company that stakeholders would be proud to associate with.

Vivek Saraogi
Chairman and Managing Director

'Balrampur is at the cusp of an improvement in cane access, ethanol output and financial foundation, starting FY 23-24

Pramod Patwari, Chief Financial Officer, analyses the Company's financial performance and looks ahead

Q: What was the principal challenge that your finance team faced in FY 23?

A: The principal challenge was in addressing the reality of stagnant revenues on the one hand and a decline in profits on the other. Anyone who has been tracking our growth across the years will conclude that this is unusual. The reason for this negative divergence was that for two successive sugar seasons (SS 21 and SS 22), the cane command areas were affected by an incidence of disease or flooding that moderated cane output. In our business, cane availability is fundamental to all our three principal revenue lines: the result is that the Company reported a 3.72% decline in revenues, and a 26.78% decline in EBITDA during FY22-23.

Q: What were the other challenges that your team faced in FY 23?

A: In the past, the Company would generally address one capital expenditure project at a time. This reality transformed significantly during the last financial year when the Company addressed six projects concurrently across different locations, scale, and complexity. The fact that the Company selected to address six projects concurrently is an index of the professional maturing within; it indicates that we now possess not only the critical mass of project management capability but also a Balance Sheet capable of self-funding these projects to a large extent without assuming significant external debt.

Q: Which of these projects could have the largest influence on the Company's profitability?

A: The commissioning of a new distillery at Maizapur is likely to emerge as a game-changer for an important reason. To capitalize effectively on the progressive policies enunciated by the government related to ethanol manufacture, the Company could have switched from the manufacture of sugar to ethanol using the B-Heavy molasses route, ensuring the sacrifice of some sugar during the course of the sugar season and an increased proportion of ethanol within the product mix. The Company opted to consume all the cane available from that command area in the Maizapur unit for the manufacture of ethanol. The commissioning of the Maizapur unit – dedicated completely to the manufacture of ethanol – is probably the first instance in India's sugar industry where one plant has dispensed completely a long-standing revenue line (sugar) and moved completely to another revenue line (ethanol).

Q: Did this decision warrant a leap of faith?

A: In a sense yes and in a sense no. It required a leap of faith because it warranted more than ₹400 crore of investment to commission a 320 KLPD distillery capacity, a size that would have normally been staggered across two or three expansion instalments. The challenge lay in commissioning a project as large as this; the challenge lay in managing the ground level realities in timely project commissioning; the challenge lay in risks arising from putting more eggs into one basket (ethanol). If we proceeded with this decision, it was for the following reasons: the large distillery will now be empowered to consume cane syrup produced within during the cane crushing season, consume B-Heavy molasses produced by the other units and utilize grain to manufacture ethanol in the non-sugar season. The flexibility to consume three different resources will now enable this plant to operate around 330 days a year, enhancing its return on investment and shrinking the payback period. The dedication of this plant to ethanol manufacture will enhance specialization, accelerate our transition into a bio-energy player and moderate our risk quotient.

4 big messages

The cane decline of the last two years appears to have come to an end in SS 22-23, which should now translate into larger crushing volumes and downstream throughput

A new cycle of larger acreage and higher farm yields (subject to conducive weather) appears to have begun, strengthening prospective throughput and revenues

The Company is strengthening its environment commitment through a zero-ground water extraction focus through enhanced treatment and recycling

The Company will deepen its zero liquid discharge commitment, reinforcing its positioning as a responsible corporate citizen

Q: How will this shift play out within the Company?

A: The Company's share in the overall sugar production in the country and in Uttar Pradesh stands at around 3% and around 9% respectively. However, with respect to ethanol, the Company accounts for 5% of the country's production and is around 20% of Uttar Pradesh's production. This indicates that we have moved with speed to capitalize on an emerging opportunity. We have made this switch by largely drawing on our net worth and we believe that by building superior scale in an attractive business, we have created the foundation of an increasingly profitable company.

Q: What are the other projects that the Company was engaged in during FY23?

A: The Company was engaged in the expansion of its distillery at the Balrampur unit from 160 KLPD to 330 KLPD, coupled with the modernization of its legacy sugar unit. Both initiatives were necessary; the unit's cane crushing capacity had been grown from 800 TCD to 12500 TCD across the decades using a conventional shopfloor design and without factoring that some day in the future ethanol would need to be manufactured within the plant. During the last financial year, the Company modernized this unit, which has created the foundation for a further expansion of our distillery capacity at this location, should market conditions warrant. Besides the distillery expansion to 330 KLPD, this unit may now divert one third of the sugarcane to sugar syrup and balance sugarcane towards B Heavy molasses. We similarly modernized the Babhnan plant (commissioned in 1930s) where we expect an appreciable improvement in efficiencies.

Q: What is the next project you would like to highlight?

A: At the Kumbhi plant, we commissioned a refinery in line with the growing demand for refined sugar the world over. This plant will be engaged in the manufacture of super fine sugar directed at the export market and help the Company achieve its refined sugar target of 50% of its overall sugar output, in line with changing requirements. This commissioning has raised the number of sugar refineries within the Company to five (out of nine operational sugar plants), indicating that we are now a prominent export-compatible player in this value-added space.

Q: What are these initiatives likely to do for the Company's financials?

A: The revenue and profitability mix of the Company will change from FY23-24 onwards: the proportion of revenues from ethanol is likely to increase from 21% of revenues in FY 23 to an estimated 35% in FY24; the proportion of segmental profit from distillery operations is expected to increase to more than 60% during the same period; we are moving from a period in our existence when there would be a low surplus visibility to a point where there is expected to be a higher surplus visibility but also a scenario where we would be empowered to engage in capital expenditure in a related line of business completely through internal accruals every single year should market conditions warrant. We believe that this Balance Sheet platform provides us with a robust foundation on which to build year-on-year sustainability.

Q: What is the other upside that could transpire?

A: The shift from sugar to ethanol will result in a lower sugar inventory, This inventory decline has initiated a progressive drawdown in the working capital required to sustain the business. Let me give you a perspective: in the past, we needed around ₹1500 crore of working

4 ways in which our Company is evolving

From sugar to bio energy, transforming the personality of the Company

From low revenue visibility to a higher revenue visibility

From erratic performance to a dependable performance outlook that enhances investor visibility

We seek to shrink the farmer payment cycle to less than 10 days, making cane growing more remunerative for farmers from a liquidity perspective capital to sustain a crushing throughput of 11 crore quintals. Following a revision in the product mix towards increased ethanol quantum, the same quantity of crushed cane (11 crore quintals) can now be sustained with lower working capital. We believe that the increased ethanol production will help reduce our short-term loans, moderate interest outflow and strengthen our interest cover.

Q: Why did this decline not transpire in FY 23; in fact, working capital outlay increased.

A: These are some reasons why the Company's working capital outlay increased last year despite an increase in ethanol production, which should have normally moderated working capital.

One, the Company undertook a distillery expansion programme from 560 KLPD to 1050 KLPD with a capital outlay of ~₹615 crore; it also incurred ~ ₹363 crore for the modernization of its sugar infrastructure and commissioned a refinery at two locations. The expansion programme was funded through ₹466 crore of debt and ₹512 crore of accruals. The deployment of internal accruals in the expansion programme is nothing but redirecting the accruals from getting deployed in working capital.

Two, the Company remunerated farmers for their cane faster (from an average 14 days in FY 22 to less than 10 days in FY 23, making cane growing more remunerative from a liquidity perspective. This will increase working capital outlay during the short-term, it is likely to deepen our farmer relationship and enhance prospective cane supply, strengthening business sustainability.

Three, the lower crushing volume in the 2021-22 season resulted in a lower sugar production, leading to higher sugar production costs and lower distillery feedstock, affecting cash flows (and working capital). However, cane crushing during the current season was 15% higher due to a wider cane area being accessed coupled with improved yields, the benefits of which could spill into subsequent quarters.

This rise in working capital reflects our forward-looking strategy. We remain committed to maintaining a healthy Balance Sheet, optimize efficiency, and maximizing stakeholder value. Keeping this in mind, an interim dividend pay-out of ₹50.84 crore followed by the sixth consecutive buyback of equity shares (bought back 22.91 lakhs shares) involved an outflow of ₹81.85 crore, despite lower accruals during the year.

Q: The big question is whether the Balance Sheet will sustain the large capital expenditure programme.

A: The Company intends to fund prospective capital expenditure (other than large capital expenditure programme) majorly through accruals. The Company is expanding cane crushing at Kumbhi from 8000 TCD to 10000 TCD for around ₹100 crore through accruals. This transformation of intention into reality demonstrates Company's foresight related to value-enhancing initiatives. This prudence was validated by the Company's credit rating. The Company's long-term credit rating was maintained at AA+ with a Stable outlook; the short-term rating was re-affirmed at A1+ by CRISIL, the highest in India's sugar industry.

Q: How is the Company expected to perform from this year onwards?

A: The worst appears to be over as far as cane availability is concerned across our command areas. The combination of intensive cane development with a larger command area,coupled with advance planting estimates, provides optimism to grow our cane output further in the sugar season 2023-24 subject to the monsoons being conducive. This larger availability should translate into a higher output at our Company that will continue to strengthen revenues; an increased switch from sugar to ethanol to enhancing margins as well.

3 financial outcomes of our business strategy

Improved visibility of profitability; higher sugar realisations (through refined sugar and improved market conditions)	Higher export capability	~35% of the Company's revenues being derived from ethanol in a few years

'We are looking at two years of straight growth in our cane output going forward.'

Avantika Saraogi, Business Lead - New Initiatives, reviews the gains made in the Company's cane development programme

Q: Would you want to do a recap of the last sugar season (21-22) and the challenges that you faced at the start of the sugar season of 22-23?

A: In last year's annual report, I had indicated a decline in our crushing from a peak of 10.95 crore quintals to 8.88 crore quintals on account of a decline in cane availability. At Balrampur, we had worked hard on cane development, so the decline came as an unpleasant surprise. This decline was on account of unseasonal rain and unexpected flooding from Nepal, enhancing standing farm water and affecting cane yields. There was no way we could have countered the cumulative quantum of this challenge, which affected our performance for FY 22-23.

Q: What is the principal message that you have for your shareholders this time?

A: The principal message is of a turnaround. This turnaround was engineered at two levels during the last financial year – at one level, we succeeded in increasing the total cane acreage from 294,000 hectares in the sugar season 21-22 to a projected 324,000 hectares in sugar season 22-23. This is the highest acreage addressed by us and I am optimistic that it provides a scalable momentum into the next sugar season as well.

The second level at which the turnaround was achieved was in cane yields. Even as we increased cane acreage by around 10% during the last sugar season, we estimate that cane availability increased around 15%. This indicates that we did not merely enhance volume; we were also able to work collaboratively with farmers to generate a superior farm yield. A combination of these initiatives has set the ground for a turnaround in cane volumes starting the 22-23 sugar season.

Q: One would have felt that the Company's longstanding presence in Eastern Uttar Pradesh would have helped maximise cane potential and that it may not have been possible to extract more cane from the area.

A: Balrampur works with more than 550,000 farmers across Eastern and Central Uttar Pradesh. Each farmer

We evolved our role: from mere cane buyers to income influencers. We treated each farm as a portfolio within which we suggested how crops could be switched, graduating farmers from monocropping to multi-cropping and helping them graduate from a singular cane focus to a diversified focus that helped protect soil nutrient quality.

represents a variable; each farmer hedges bets by planting non-cane crops; a large number of farmers still engage in legacy practices; a large number of farms still report yields below the regional average.

At Balrampur, our objective is to engage closely, examine the potential delta and plug it. We believe that a timely payment for cane is now a given; one needs to work beyond this assurance to educate farmers on not just the incentive in growing cane but also in superior farm practices (which keep evolving). Our objective is to get farmers up to real-time in mindsets, priorities and practices, the next frontier.

Q: What method went into the Company's cane development?

A: The cane development exercise was defined by a documented and measurable discipline. Well before the planting season commenced, our 700-member team would cover villages everyday, making it possible to engage with 10,000 villages. I want to stress that number once again – 10,000 villages. We did not just leave pamphlets and leave; we enquired, researched, engaged and educated. The more we did this, the more we realized that a large number of farmers are disengaged from modern farming practices and need a friend-philosopher-guide. We evolved our role: from mere cane buyers to income influencers. We treated each farm as a portfolio within which we suggested how crops could be switched, graduating farmers from monocropping to multi-cropping and helping them graduate from a singular cane focus to a diversified focus that helped protect soil nutrient quality. The result is that we addressed the RoCE needs of our farmers as opposed to merely playing the conventional role of a cane buyer.

Q: What specific interventions helped the Company enhance outcomes?

A: We reported two principal gains during the last sugar season. One, our thrust on better ratoon management and superior fertilizer practices strengthened yields (especially in Eastern Uttar Pradesh); we arrested the top borer disease in Central Uttar Pradesh with a labour-intensive operation, extracting the affected sticks (in one factory command area we extracted 5 million affected sticks). The result: we arrested the spread of disease, saving our crop in the region. The combination of aggressive (ratoon management) and defensive

4 big messages

The Company strengthened the cane team at the unit and corporate levels

The Company evolved from a cane buyer to an income influencer

The Company treated each farm as a portfolio, focussing on enhancing farm profitability

The Company worked extensively in irrigation management (disease management) measures strengthened overall cane output.

Q: What organisational framework enhanced the effectiveness of the operation?

A: We strengthened our organogram: we strengthened teams at the unit and corporate levels, the latter being stewarded by a Centre of Excellence - Cane. On top of this structure sat the Vice President of cane in the Kolkata corporate office.

Within this structure, we had cane field assistants, who reported to a zonal in-charge, who reported to a regional head. This reporting structure made it possible to monitor field activities closely and respond with speed in the event anything deviated from the status quo.

What made this structure responsive is that by the close of the last sugar season, we had 550,000 farmers connected through Whatsapp, enhancing the effectiveness of our communication and making it possible to address ground realities with speed. What we deepened in our cane management was a culture of responsible insecurity that anything could go wrong anytime and anywhere. The result is that we were perpetually in a war mode and this enhanced our responsiveness, the result of which started showing in increased cane acreage and enhanced yields starting with the 22-23 sugar season.

Q: What else helped strengthen the Company's cane development?

A: Our system was formula-based and measurable, taking much of the potential arbitrariness out of our decision making. We know that at any given time if we need to increase the number of farms under coverage what kind of systemic investment (money and people) would be needed and the incremental cane that can be generated. This structure enhanced systemic predictability and the role of informed decision making.

The Company also worked extensively in irrigation management. We co-ordinated with the relevant state government department to facilitate the desilting of canals and the creation of culverts (following aggressive road building in Uttar Pradesh) that would accelerate water run-off. The result is that we expect the erstwhile problem of standing farm water to decline, strengthening farm yields.

Q: How will the enhanced cane output translate into a superior corporate outcome?

A: The enhanced cane output provides a foundation for enhanced cane syrup or sugar throughput. It provides us with a foundation on which to build the more value-added segment of our business (ethanol). We crushed 8.9 crore quintals in the 21-22 sugar season; we crushed around 15% more in the 22-23 season and we laid the foundation for graduating this to 11.5 crore quintals of crushing in the 23-24 sugar season (where we expect to stabilize, creating a foundation for the next round of growth thereafter). In view of this, we are looking at two years of straight growth in our cane output going forward.

The critical role of cane at our Company

	SS 19-20	SS 20-21	SS 21-22	SS 22-23
C0238 variety as a % of all cane purchased	69%	78%	75%	53%
Cane crushed (lakhs tonnes)	105.37	87.52	88.83	103.01
Number of days of crushing by the Company	159	145	133	148
Number of farmers cane was purchased from	5,27,582	5,02,921	4,97,285	5,26,582
Recovery (%) (pre-diversion)	11.88	11.79	11.48	11.62

Part 3

Building the Company responsibly and sustainably

'ESG represents the soul of what we are and what we seek to be'

Manoj Agarwal
Company Secretary & Head CSR
analyses the Company's ESG commitment

Q: What is the principal ESG message that you wish to communicate?

A: The overarching message is that in the last few years ESG has emerged as the biggest influence on corporate reputation. The needle of corporate appraisal has shifted from the 'what' (as in the quantity of profits) to the 'how' (the process that makes the 'what' a reality). This focus on the process is now becoming a metaphor for a company's intent and character with stakeholders willing to assign a higher valuation on a company with a deeper ESG integrity over an equivalent company with a lower ESG commitment.

Q: Why is this becoming an increasingly important screening filter?

A: There are several reasons for this. **One,** the increased volatility in equity valuations is a result of an increasingly demanding investor set the world over. **Two,** this investor set is investing across geographies, carrying their investing priorities, which are helping raise ESG awareness in less developed markets. **Three,** there is a growing correlation that high ESG delivering companies enhance value in a sustainable manner over time. **Four,** the variables addressing corporate performance have increased substantially. **Five,** there is a greater consensus building up on how companies need to be appraised from an ESG prism. The complement of these reasons is putting ESG at the centre of the corporate appraisal system. **Six**, it is not important only to be clean or green but to be evidently so, putting a priority on sensitization, documentation and articulation. **Seven,** a strong ESG backbone translates into a superior credit rating, which in turn moderates the cost of funds and enhances the corporate valuation – demonstrating that ESG quality has a direct influence on stakeholder returns.

Q: How do you appraise ESG from within the filter of India's sugar sector?

A: In India's agriculture-intensive sugar sector, we are at the cusp of an important shift. In this high-cost business, we are coming down to a fundamental appraisal of the word 'cost'. From the conventional perspective, the word 'cost' implies what has been paid for (materials, people, interest and tax). However, a new dimension of the word is emerging, referring to costs incurred by the environment today that the companies may need to pay for in the future. The result is an emerging head called 'Environment cost', which takes into account the cost of water consumed, ecology and flora/fauna loss, among others. The writing is on the wall: there will soon come a time when the environment cost will need to be enumerated and factored into an integrated (tangibles and non-tangibles) profit & loss account. As a responsible future-facing organisation, Balrampur is committed to moderating evident and latent costs with the objective to emerge as a holistically sustainable organisation across market cycles.

Q: How is Balrampur responding to the needs of an ESG-sensitised world?

A: From a conventional perspective, one would have felt that the environment segment of ESG would have warranted timely equipment installation, monitoring and documentation. The subject is far more complex than this. At Balrampur, our environment commitment begins from organization-wide sensitization and training. We recognise that unless we make environment consciousness or social awareness or government commitment intrinsic to our DNA, we will end up addressing short-term tactical requirements but not meet our strategic long-term objectives.

We believe that training and awareness building will graduate our Company to precise enumeration. This forward-looking perspective will graduate us from a comprehensive coverage of a few plants to comprehensive coverage of all ten plants. This sensitization will make it possible for all our ten plants to be on the same performance page that makes it possible to appraise, compare and benchmark. A uniform approach will empower our Company to make and provide annual and quarterly comparisons of our environment and performance, enhancing stakeholder transparency.

Q: What is the one area of the Company's environment management that has reported substantial progress?

A: The tree plantation initiative at Balrampur has been one of its most creditable. There was a time in the past when tree planting activity would be seen as a nice thing to do from a visual and community perspective; the time has come when we now appraise this activity as being strategic and integral to our business and existence. We recognise that tree plantation is linked to carbon sequestration, which counts in the overall scorecard of whether Balrampur is environmentally responsible or not. This tree plantation activity is also ahead of its time when it will be imperative to plant, measure carbon offset and report it in the Balance Sheet.

At Balrampur, tree plantation is a scientific activity: we absorb best practices, we study planting impacts across soil conditions, we focus on sapling survival, we have created an annual maintenance budget. The result is that there has been appreciable increase in tree survivability, creating a foundation for sustainable year-on-year green cover growth. The bottomline is that the large quantum of green cover will create a broad-based carbon sequestration foundation, reinforcing the Company's credentials as a holistically environment friendly company.

Q: What is the other aspect of the Company's environment conscious responsibility?

A: We must address the issue of water. There is a priority not just to consume less but also a responsibility in ground water withdrawal coupled with responsible effluent management systems.

A holistic water management approach is the biggest responsibility we have brought to our business. This differentiated perspective starts with raising cane that optimizes water consumption, generates a yield higher than the prevailing average and is resistant to disease (ensuring high water efficiency). These factors generate a lower withdrawal of ground water; besides a lower withdrawal is also catalysed by in-system advanced waste water treatment and reuse, so that we use the same water quantum instead of resorting to fresh extraction. This has reduced our water extraction substantially. Since we are among the largest integrated private sector sugar companies in India, we have capitalized on our integrated model by investing periodically in cutting-edge technologies so that by-product or waste product of one constitutes raw material or process material for the other. This circularity that we have bought in to our operations is helping us imbibe sustainability in every aspect of our operations.

4 big messages

The Company intends to achieve sustainable green cover growth

The Company has a vision to achieve zero groundwater withdrawal

The Company seeks to create a safer workplace for all

The Company deepened its system orientation to become more process-driven

Q. What initiatives have been taken for the social agenda, i.e 'S' of ESG?

A: Our Company's success is deeply rooted in its social capital, which refers to the value derived from the relationships, trust and networks built between individuals and groups. It can be attributed to our diversified and competent workforce, capable leadership, empowering culture and efficient operational excellence.

Our people policies are designed to create a future-ready workforce while empowering them and creating an enriching employee experience. During this fiscal, we predominantly worked towards the well-being of employees and their training including health and safety training. Diversity was one of the core focus area of the Board of Directors and the management during the year.

Though it is difficult to get the women folk to work in factories in deep rural areas, we could engage some women in soil testing labs during the year. Pursuant to our diversity focus, we are working to identify positions in factories in which women and the differently-abled can work willingly and with ease. During 22-23, female candidates were preferred in case of all new hirings at the head office on account of which female strength at the head office has increased.

The Company extensively worked with its value chain partners during the year, which yielded positive results for the stakeholders and Company.

The Company endeavours to be a rural prosperity driver and its corporate social responsibility efforts are implemented for the community members around the peripheral areas of its manufacturing units. The Company's efforts have been recognized with two national level awards in FY 2022-23 for its corporate social responsibility initiatives.

Q: How does the Company ensure its governance focus?

A: As far as governance is concerned, we believe that the way to the future is through a replacement of adhocness with predictability; we deepened our systems orientation that makes us increasingly individual-agnostic and more process driven.

The Board goes beyond the statutory agendas and delve on such policies and processes that can make the Company more sustainable and resilient. Sustainability and climate-related issues are overseen by the Board. During the year under review, an ESG committee was constituted for delving deeper into the subject. Accordingly, the Company took several initiatives like stakeholder engagement exercise, materiality analysis, impact assessment and strengthening the risk management framework, among others. The Board and respective committees met more than the statutory requirements to discuss important topics. The focus was on cyber security, automation, developing training videos, third party audits for fire and safety, digitization, diversity and succession planning. At Balrampur, compliances reside at the heart of our governance commitment and the Company adhered to all the laws in spirit and letter. We strengthened our compliance management systems with respect to insider trading and environmental sustainability. We got third party audits conducted for fire, safety and water at our units from FICCI and others.

Q: How would you sum up the Company's ESG commitment?

A: There is a greater visibility of ESG within our strategic planning process. Generally, there is no Board meeting that does not dwell on our ESG practices and compliances; there is no management level meeting chaired by the CMD that does not factor ESG outcomes; there is no fresh investment that is not woven around an ESG framework. In view of this; ESG represents the soul of what we are and what we seek to be.

Sustainability Achievements

50,298
Trees planted, FY 21

1,50,137
Trees planted, FY 22

1,84,354
Trees planted, FY 23

178
Ground water drawal (litres/MT of cane), FY 21

158
Ground water drawal (litres/MT of cane), FY 22

124
Ground water drawal (litres/MT of cane), FY 23

2
National level CSR Awards won in FY23

Note: Ground water drawal is for sugar units

Balrampur: Investing in tomorrow's ESG benchmarks today

Pioneering

Balrampur was among the **first** companies to install incineration boilers in India's sugar sector, well before this became mandatory

Balrampur was one of the **first** companies to establish granulation plants in its manufacturing facilities, converting ash into potash granules (organic manure) for sale to farmers and IIFCO.

Balrampur was among the **first** companies in India's sugar sector to make forward-looking water management investments to reduce the ground water extraction and eliminate the discharge of untreated water.

Balrampur was among the **first** Indian sugar companies where all its distilleries were graduated to zero liquid discharge.

Balrampur was the **first** company in India to have transformed a once-sugar unit completely into ethanol (as it did by commissioning a distillery in 22-23 to run entirely on sugarcane syrup during the season)

Benchmark

Balrampur installed one of the most sophisticated firefighting systems across its Maizapur, Gularia, Babhnan and Balrampur units.

Balrampur developed large employee colonies complementing its manufacturing units.

Balrampur deepened best safety practices, inspiring a cultural change in its sector

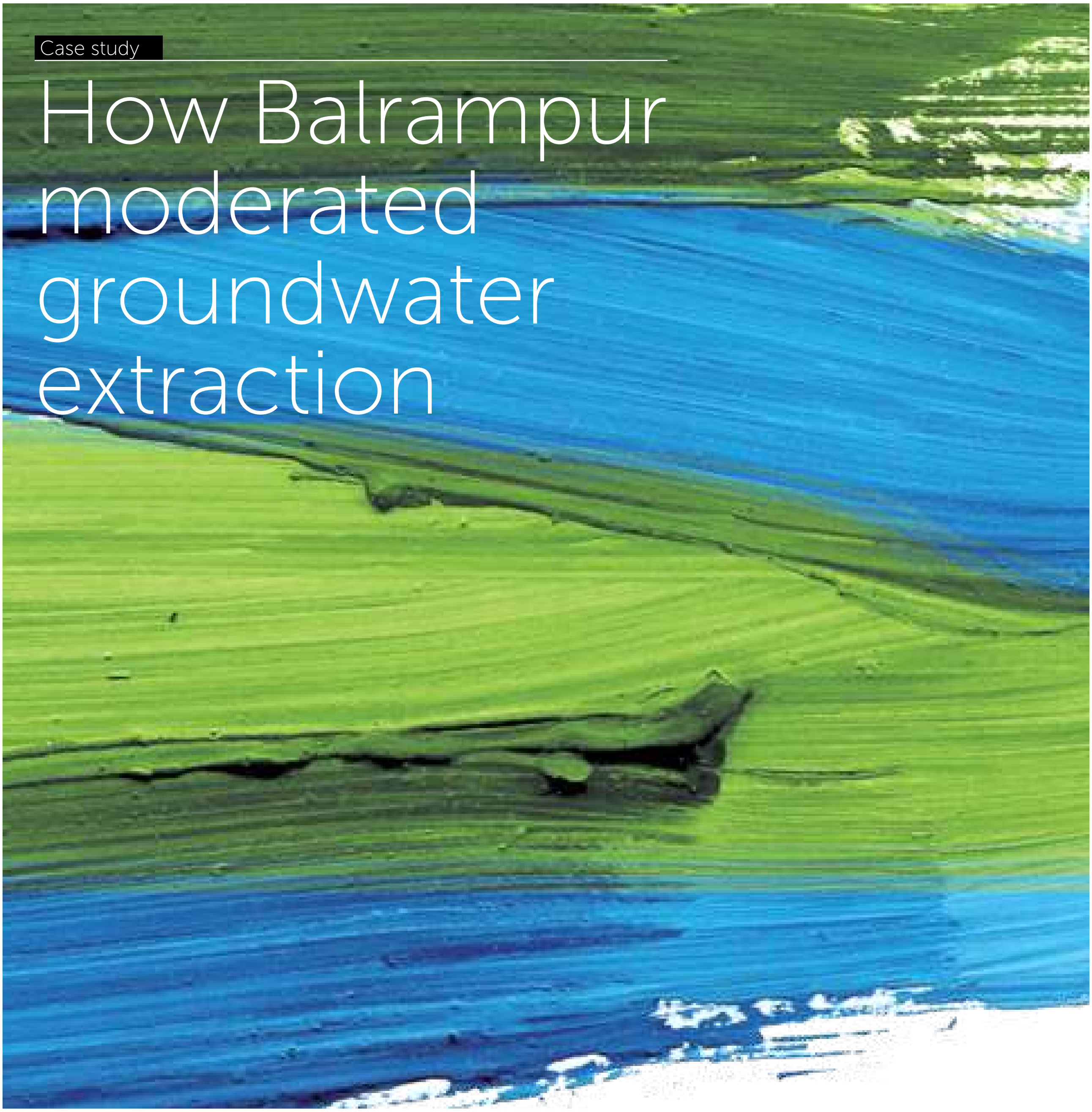
Balrampur developed state-of-the-art condensate polishing units in its manufacturing facilities, creating a benchmark in waste water treatment.

Balrampur contributed extensively towards rural development by installing solar lights at scale.

Balrampur incurred major capex in modernizing its factories, improving its processes, efficiency and safety parameters.

Case study

How Balrampur moderated groundwater extraction



Overview

In the past, Balrampur worked within the regulatory norm to discharge treated water - within 200 litres of water per tonnes of cane - from its effluent treatment plants.

The Balrampur management took a decisive position: it would moderate water emission and moderate ground water extraction.

This proved challenging: the Company was required to make sizable investments in a non-remunerative dimension of its business at a time when there was a premium in making investments in bottomline-enhancing functions.

The Company capitalised on its integrated model and installed state-of-the-art condensate polishing units to recycle the condensate water that was then reused for other processes.

The result is evident: ground water extraction declined 21.52% during the year under review, protecting the adjoining water table.

Case study

How Balrampur doubled distillery capacity without stoppage

Challenge	Response
Challenge Expanding our distillery capacity was risky on account of a related fire risk.	**Response** The Company installed a sophisticated firefighting system; it enhanced the safety of vulnerable areas (distillation).
Challenge The Company's ethanol tank created a risk.	**Response** The Company strengthened its checks and control system.
Challenge The Company encountered challenges in obtaining the permission to shift a 132 kv transmission line on account of a space paucity to construct ethanol tanks	**Responses** The Company's officials coordinated with the State Electricity board in Lucknow to shift the transmission line, which created the space to construct ethanol tanks.
Challenge The Company was required to mobilise a large number of construction workers.	**Responses** The Company recruited skilled and experienced professionals to counter this challenge.
Challenges The recruitment of construction contractors and timely supplies from equipment vendors proved difficult.	**Responses** The management at the Kolkata head office coordinated on behalf of the project teams to resolve contractor and vendor bottlenecks.

How BCML accelerated capacity ramp up

Dedicated team work

The Company possesses a strong multi-functional team across units; a spirit of collaboration between these cross-functional teams and units accelerated production ramp up.

Resource utilisation

The Company redeployed resources from sites with few assignments to critical areas.

Ground zero deployment

Senior executives were deployed across sites during project commissioning, accelerating decision making and the resolution of complex issues.

Planning and execution

The expansion programmes were planned down to daily schedules, which were then meticulously executed and monitored. The management invested in proactive counter-challenge initiatives before project commissioning, minimizing mismatches.

Funding

The Company funded its capital investments adequately, ensuring timely ramp up.

Trust

The management reposed complete trust on senior employees, empowering them to make critical decisions at challenging junctures.

Challenges factored by the management during plant expansion

- Commodity cost increases
- Labour shortage
- Covid-19 waves
- Uttar Pradesh state assembly elections

Maizapur: A new page in India's bio-energy revolution

Overview

The success of any government policy lies in an existing manufacturer switching from a legacy product to a new product being championed by the government.

The Maizapur plant validates the vision and stability of the National Biofuel Policy of the Indian government.

The Maizapur plant was commissioned by the Balrampur Chini Mills management after acquisition, following which it largely focused on sugar manufacture. Within three years of the announcement of the National Biofuel Policy, the Company embarked on commissioning a new distillery at the location; in about four years from the policy announcement, the Company made a decisive switch: from the complete manufacture of sugar to the manufacture of ethanol.

The result is what used to be a sugar manufacturing facility will not produce a single kg of sugar from Sugar Season 22-23; every litre of cane syrup will be utilized to manufacture ethanol. The switch will make the Company's Maizapur unit the only erstwhile

sugar manufacturing facility to be completely dedicated to the production of multi-feed ethanol in India; the switch could also make the plant one of few to be completely dedicated to ethanol production.

The switch is the result of the Company's singular focus on maximizing stakeholder value. Going ahead, this pioneering switch is expected to inspire a new generation of modern Indian multi-feed distilleries to address national policy and environmental priority.

Prudent location

The location comprised extensive free land in which the distillery could be commissioned, eliminating the time, cost and procedural delays related to new land acquisition.

The plant was proximate to 62049 hectares of a cane-rich area, comprising more than 26,000 farmers; the command area was connected by 200 kms of roads leading to the factory, facilitating timely cane dispatch.

The command area was covered by cane to the extent of 27%, an attractive headroom for sustainable multi-year growth.

Modern showpiece

Layout: The plant has a beautiful layout with each section having a provision for 100% expansion alongside three spaces with neat and clean design.

Location: The Maizapur unit is an integrated sugar complex in the Gonda district of Uttar Pradesh. A substantial water availability is a locational advantage. Maizapur is connected to Lucknow through new roads, enhancing connectivity.

Complex: The 250-acre integrated complex comprises a cane yard, sugar unit, co-generation power plant, distillery, administrative building, guest house and employee colonies.

Command area: The unit is serviced by a command area of 17,000 hectares; 95% was covered by cane of high sucrose content. The Company was associated with 26,000 farmers at the close of sugar season 22-23; the advanced C0118 cane variety covered 46% of the command area.

Benchmark: The Company commissioned a 320 KLPD distillery from scratch, possibly the largest such plant commissioned in India's sugar sector. The distillery consumes all the cane syrup produced, the only Indian plant to do so. The distillery plant is multi-feed, again unprecedented at BCML. The plant is equipped to operate throughout the year.

Responsible: The plant has been invested with state-of-the-art pollution control equipment; this infrastructure is completely automated through distributed control systems. The condensate polishing unit is operated on distributed control systems (first in India) with environmentally sensitive parameters monitored in real-time.

Automation: The Maizapur unit is a completely automated sugar

complex based on advanced technologies. The centralised distributed control system empowers an operator in the control room to monitor and control distillery and boiler operations.

Eco-friendly: The Maizapur plant is engaged in 100% water recycling with minimal ground water extraction for industrial use; there is zero corresponding water and effluent discharge. The unit planted 64,000 trees around the plant area.

The big Maizapur numbers

Cane

3000
TCD, cane crushing capacity, 15-16

4000
TCD, cane crushing capacity, 22-23

Sugar recovery (pre-diversion)

10.61
Average sugar recovery, 15-16 (in %)

12.02
Average sugar recovery, 21-22 (in %)

Sugar produced

2.89
lakhs quintals produced in 15-16

3.39
lakhs quintals produced in 21-22

Distillery

Nil
KLPD, ethanol manufacturing capacity, 15-16

320
KLPD, ethanol manufacturing capacity, 22-23

(Note: Sugar production was discontinued in 2022-23 following the complete diversion of cane syrup towards the production of ethanol)

'The Maizapur plant represents a benchmark in India's cane-based sector'

A conversation with Sandeep Agarwal,
Unit Head, Maizapur unit

What makes Maizapur among the best operating units within the Company?

The advantage of the Maizapur plant is its compact organised layout. Besides, the proportion of sugar in Maizapur's cane is possibly the highest within Uttar Pradesh. The unit's command area enjoys good varietal balance, maximizing farm yields and moderating disease incidence. Around 90% of Maizapur's cane is received at the gate, enhancing freshness and moderating the cut-to-crush tenure. A combination of these realities makes Maizapur a differentiated unit within the Company's complement of 10 factories.

What is unique about the Maizapur distillery?

The state-of-the-art distillery is multi-feed. It accommodates cane syrup, broken rice and maize, which makes it possible to run the facility through the year, enhancing revenues and return on capital employed. The result is that revenues from this distillery would be consistent across the quarters, while margins would be influenced by the feed-stock being used (cane syrup or maize or broken rice).

On the project management side, the distillery (320 KLPD) was commissioned on 6th November 2022 after facing a lot of hurdles and bottlenecks from suppliers and vendors. Most distilleries in the country expanded in blocks; the Maizapur unit created history by establishing a 320 KLPD distillery in a single tandem.

Maizapur's distillery is zero liquid discharge, highlighting its safety from an ecological perspective. All the water used in the distillery's process is recycled and used across functions. The steam consumption per unit of output is among the lowest in the sector; we are maintaining more than 12.81% of alcohol during fermented wash.

Why did the management select Maizapur for its new distillery?

Maizapur comprised a low crushing capacity when compared to other units in the group. The unit crushed 3,000 tonnes per day (increased to 4,000 TCD). The cane availability was just right to propose the disruptive: divert all the cane syrup to produce ethanol through a competitive distillery size of 320 KLPD – not too small to suffer from sub-economies and neither too large to pose infrastructure and management challenges. Besides, the complete allocation of cane for the distillery enhanced locational focus and specialization.

What factors helped shrink the commissioning tenure?

The distillery was commissioned faster than the industry benchmark even after facing lot of hurdles in supplies: proactive planning, dedicated execution team,

Perspectives

Before 2015	After 2015
▪ Inadequate road infrastructure ▪ Absence of employee residences ▪ Insufficient office infrastructure ▪ Poor transportation support for workers ▪ Lower number of flow meters; low parameters checked ▪ Absence of a distillery unit and condensate polishing unit (CPU)	▪ Enhanced road infrastructure ▪ Construction of employee colonies ▪ State-of-the art office infrastructure ▪ Improved transportation support ▪ Installation of low temperature evaporation modules ▪ Installation of 320 KLPD distillery and condensate polishing unit (CPU) ▪ Installation of incinerator boiler

timely funds availability, proactive completion of civil design and consistent vendor engagement. The successful commissioning represented the success of the project commissioning eco-system and maturing of this organisational dimension.

The site team worked round the clock; the Company deputed 3,000 workers at peak. The unit conducted various water and steam trials to ensure zero breakdowns after plant commissioning. The result is that we ramped to 95% capacity utilisation with speed.

What are the competitive advantages of the distillery and its location?

One, the distillery is located in a robust cane growing area.

Two, the cane intensity of the command area of 27% indicates an attractive multi-year headroom.

Three, Maizapur enjoys excellent road connectivity, making it possible to evacuate ethanol with speed - around 100 kms from Lucknow.

Four, the Maizapur command area is skirted by Sarayu River, enhancing the water table and enhancing water for irrigation.

Five, high sucrose content in sugarcane would result in high conversion ratio of ethanol.

Six, the unit is a modern integrated complex, comprising cutting-edge technologies, modern guest house facilities, state-of-the-art administrative block, canteen, dormitory, technical offices and around 5 km in-complex roads.

What are your targets with respect to cane development for FY 23-24?

The unit will build on a longstanding record of high plant utilization, generating a superior syrup throughout. The volume of crushed cane is likely to increase from 45 lakhs quintals to 60 lakhs quintals in FY 23-24; the plant is expected to operate for around 160 days using cane syrup and 160-170 days using grain feed.

What is the outlook at the unit?

The outlook would be to deepen a culture of good practice, enhance cane availability, increase operating efficiencies and generate more from less.

Glimpses at Maizapur

Our Maizapur distillery is among the handful Indian plants that consume 100% cane syrup produced in it's mills. The distillery plant is multi-feed, again unprecedented at BCML.



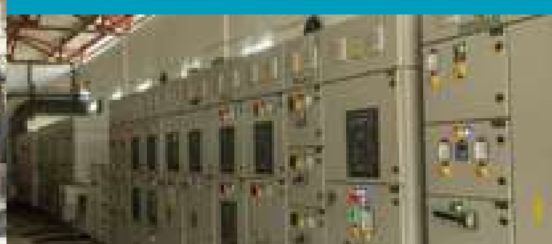

320 KLPD

Our distillery capacity at Maizapur created in a single tandem

The condensate polishing unit is operated on distributed control systems (first in India) with environmentally sensitive parameters monitored in real-time.

250-acre

Area of the Maizapur sugar complex




The spirit of our Maizapur plant

Employees describe the differentiated culture of our showpiece plant

'Since 90% of Maizapur's cane is received at the gate, its cut-to-crush time is 6 hours to 48 hours. Of 62000 hectares of cane area, cane stands on around 17,000 hectares. Cane planting on 9,400 hectares in 2021-22 is expected to rise to 12,000 hectares by the end of 22-23. Farmer count is expected to increase 10% in 2023-24. The team mitigated the red rot disease through awareness building, irrigation facilities, diseased stick segregation, pre-harvest treatment and timely diversification (C0118, CO15023 etc.), a leaning towards C0118 variety (45% command area) and increased coverage of the Balram app.'

Sanjay Mishra
Chief Manager, Cane development

'The Maizapur distillery comprises fermentation, distillation, warehouse and milling section, among the best in India's sugar industry. The unit discontinued sugar production in sugar season 22-23 and diverted the entire sugar syrup to ethanol manufacture. All operators worked extensively to enhance timely project commissioning. The secret of Maizapur's success is its friendly and engaging culture across managerial levels.'

Varun Vashisth
Manager, Process Distillery

'Maizapur is India's first multi-feed distillery (grain, syrup and molasses)that diverts 100% cane syrup towards the manufacture of ethanol. Probable challenges were addressed at the drawing stage. The unit management conducted trials across 25 days to run the entire distillery of this scale on grain, another first – with no breakdown. The operations have emerged as sectorial best practices from day one.'

Rajeev Mishra
Additional General Manager, Distillery

'Ours is a process-driven company that invests in multi-stage research, tests and checks; our process discipline is driven by a culture of standard operating protocols. We examine our process for extraneous material, total reducing sugar and BRIX POL purity, which maximises cane quality and quantity. We have invested in advanced equipment (periodically calibrated and maintained). We are in the process of investing in a continuous auto sampler that could enhance outcomes.'

Vinay Kumar Pandey
Assistant Manager, Laboratory

‘I headed the supply chain and material management in the Maizapur project. The international prices of steel increased drastically thereafter, which created a big challenge to ensure the availability of raw material. The vendors faced critical raw material sourcing challenges due to the prevailing volatility, the Balrampur team got involved to mitigate challenges and procure raw material to help vendors proceed with construction. The Company provided faster technical and design approvals, planned logistics efficiently and coordinated to arrange suitable manpower. The proactive efforts of the team helped complete plant erection successfully despite challenges faced in procuring material from vendors’

B. Srinivas, Chief Procurement Officer

‘The Maizapur cane development team supports farmers from planting to crop management, distributes new and subsidized seeds, provides subsidized agri inputs (press mud, decomposers and potash) and is connected with 320 villages within a 20 kilometre radius. Farmers facing issues are encouraged to come to the plant for immediate resolution. The Balram app assists farmers from crop marketing to disease management. The cost per quintal of cane at Maizapur is the lowest within BCML and possibly among the lowest in Uttar Pradesh as well.’

P.K Chaturvedi
General Manager, Cane development

‘In a number of ways, Maizapur is a model BCML facility – adequate water, abundant land, complete distillery operations (no sugar manufacture); no employee drawn from the sugar business; construction of employee housing around a sectorial benchmark; school buses for employee children; a modern guest house, canteen, medical facilities and other benefits to provide a modern workplace. There was a time when a medical officer would visit the Maizapur plant on alternate days for two hours; the management has now appointed a full-time medical officer and three pharmacists with the objective of enhancing worker welfare’

Vibhash Mishra
Head - Human Resource

‘The unit transformed its DNA through the commissioning of an incineration boiler, co-generation power plant and 320 KLPD distillery. The challenges were numerous: the biggest was to transport 100 tonnes of equipment from Pune to Maizapur on schedule, passing railway crossings and bridges. On one occasion, the transportation vehicle was stuck on a bridge in front of the Lucknow airport; the management worked closely with the local administration to facilitate a timely exit; similar permissions were sought across various areas and railway crossings; each vehicle was tracked online to proactively ascertain bottlenecks; robust material management helped commission the distillery well ahead of industry norms.’

Sumanta Das Roy
Manager Materials

'There was a time when the Maizapur unit (without a captive power plant) would suffer 15 to 20 power outages a day. Now that we generate our own power, power is restored in six seconds in the event of an outage. Voltage fluctuations have stabilized; the average power cost has moderated and the incremental power is sold to the state electricity grid for more than ₹4 per unit. We have raised the power factor from 0.7 to 0.92. (standard 0.8 to 0.95). All motors have been fitted with variable frequency drives, extending equipment life and moderating power consumption. Digital thermal relays have replaced manual thermal relays. Manual breakers with electrically operated draw-out (EDO) type breakers prevent system short circuits and overcurrent. Our goal is to minimize energy use. Besides, 7–10 hours of operational downtime each month has declined to zero. We will install lightning arrestors, isolate one turbine that transmits power to the state electricity grid and upgrade the fiberizer system'.

Jitendra Narayan Singh, Department Head, Electrical

'Earlier, we would crush 3200 tonnes of cane a day (TCD), raised the goal to 4000 TCD and the mill house is currently operating optimally. We installed a 5-tonnes hydraulic cane unloader to reach our desired perspective (and are transforming three more into hydraulic unloaders). What is creditable is that we purchased one of the best milling equipment in India which helped moderate bagasse moisture content. We are expanding the pitch size of our mills from 25mm to 40mm to increase cane intake capacity.'

Munish Kumar Sharma
Chief Sectional Manager, Mill house

'People morale lies at the core of our plant performance. A direct and ongoing people engagement process makes it possible to address issues before they happen. The results: the highest Pol of 1.41 in bagasse was found in Maizapur's command area; we provide thousands of farmers ongoing technical and mechanical support.'

Avadesh Kumar Singh
Deputy General Manager, Engineering

'The advanced distributed control system (DCS) monitors the power plant - automated with cutting-edge security. The system monitors parameters in real-time with alerts for process deviations. We have around 10 engineers and a 24-hour monitoring system on call. This combination of people and technology is possibly the most advanced in India's sugar sector.'

Arun Kumar Sharma
Senior engineer, Boiler and Turbine

'At Maizapur, we put safety first. Employees are provided PPE kits, nose masks, helmets and safety jackets. Work permit procedures are followed strongly on site; there is a high safety awareness across every single worker. The fire safety system comprises detection and protection systems; temperature sensors in each ethanol tanker detects fire hazards. Each control room has been protected with fire alarm and smoke detection systems. Every tank has a cooling spray and foam system to reduce temperature. The unit conducts fire drills and weekly tool box talks. A doctor and pharmacist are available through the day. The Company provides health insurance coverage for employees. Virtually every manual function has been automated.'

Vivek Kumar Verma, Deputy Manager, Employee Health and Safety

'These are some features that make the Maizapur distillery distinctive: 100% compliance; among the largest such distilleries in Asia; designed around the latest technologies (distillation, fermentation, grain milling and water treatment); consumes 100% recycled water (around 3,000 m3 per day); no groundwater drawal for industrial use; 64,000 trees planted around the plant premises (survival rate 80-85%) and a projected planting target of 50,000 trees in the current financial year; its condensate polishing unit is completely controlled by the distributed control system.'

Anuj Pundir
Senior Deputy Manager, Environment

'We have one of the best fire management systems, round-the-clock availability, CCTV covering all factory areas, employees in protective clothing, adequate distance of operations from the parking lot, screened entry or employee access, ban on use of electrical devices near the distillery; 20-foot boundary wall and electrified fencing. We advocate against the use of firecrackers in the vicinity; we have an active engagement with the peripheral community. Going ahead, we intend to use drones for surveillance.'

Bhanu Pratap Singh
Chief Security Officer

'My responsibility: separate pure syrup from muddy juice produced by cane crushing and deliver the latter to the distillery for onward fermentation. Our method is supported by researched standard operating protocols (updated in line with emerging research). The goal is to generate the best resource base that can accelerate fermentation. Our goal: maintain BRIX (measure of dissolved sugar in syrup) at 65%, considered ideal for ethanol production, using the least electricity. Our objective is to modernise the BRIX booster system to improve syrup quality while consuming the least energy.'

Arun Bharti
Assistant Chief Chemist, Process

'The Maizapur plant is one of the the largest ethanol plant in Asia and one of the first to be sustained around 100% syrup diversion to ethanol. The employee age profile is young; the inter-departmental engagement has helped moderate electrical breakdowns. The power plant is common for the sugar and distillery business, an innovative approach that moderated people deployment. The variable frequency drives in cane unloaders have helped reduce downtime. The focus is to make Maizapur an industry showpiece.'

Hemant Sharma, Senior Deputy Manager, Electrical

'A culture of safety is paramount at Maizapur, marked by 'zero liquid discharge', advanced method to employ sludge to burn boilers, combining bagasse with slop to enhance the combustible raw material and the use of residual ash in the granular plant. We produce energy from byproducts. We recycle our waste.'

Mohit Maheshwari
Chief Manager, boiler and turbine

'Previously, the unit would not produce sufficient exportable power. A power transformer was installed and connected to transmission lines, creating surplus power. The Officers' club organised a bi-monthly employee party to enhance motivation. This approach paid off; the plant is one of the most advanced in India's sugar sector.'

Suraj Soni
Senior Engineer, Power plant

'The two operative words at our Maizapur unit are 'job satisfaction'. The workplace provides creative and positive energy; there is a commitment to '*Kya naya karein?*'; ours is a positive problem-solving culture; employee living standard has improved; our benefits package is comparable to the best. What more could one want?'

Anil Kumar Chaurasia
Deputy Manager, Electrical

'It is to the credit of the Maizapur plant team that the distillery plant operated at maximum nameplate capacity during its maiden season, which creates a foundation on which to increase capacity through debottlenecking.'

Anoop Kumar Srivastav
Distillery Head

'The unit encountered challenges in commissioning a central polishing unit (CPU) regarding logic modification. The Company and its vendors teams implemented the best logic as per standard operating procedures. The result: equipment failure moderated; interlocks worked efficiently. The turbine now operates with a single click. The 2500 TCD plant capacity has been raised to 4000 TCD. The centralised distributed control system allows the operator to check distillery, sugar and boiler parameters from a single seat. The refurbishment and installations of two turbines helped increase power export. Steam consumption of 10-11% has declined to 7-7.5%. Centralised system and automation have reduced the scope for human errors.'

Kumar Ajit Pratap, Manager Instrumentation

'If there is one word that lies at the core of what we are and what we do, it is 'documentation'. This represents the bedrock of our existence, reflected in documented processes and practices, periodic audits, SAP backbone, automated and digitalized payroll system. The result is that we pay farmers within 3-10 days from cane purchase, an industry benchmark.'

Rajesh Pandey
Chief manager, Accounts

'Our bagasse loss of 1.3% was in line with the advanced plant target. Our recovery is among the industry's best; automation in steam management and evaporator body helped moderate steam consumption from 46% to 23.5%.'

Navneet Kumar
Assistant General Manager, Process

'From the time the Maizapur unit was acquired by BCML in 2006-07, the plant has been periodically upgraded. The cane procurement system was improved, new processes were commissioned and cameras installed to oversee project management. The result is that the unit engaged in three sequential projects in three years; enhanced IT spending translated into real-time plant monitoring; the Balram app helped analyse farmer needs, enhancing two-way communication; cloud engagement has enhanced an anywhere responsiveness.'

Rajnarayan Pandey
Chief Manager IT

Nurturing the community around Maizapur

Balrampur services the community around the Maizapur plant, creating a holistic prosperity foundation

Educational interventions

Strengthening school infrastructure, S.D.D.H.S.T Educational Institute, Mangurahi

- The students encountered inadequate drinking water; the benches were broken
- The school approached Balrampur Foundation for support
- The Foundation provided 70 benches cum desks
- The Foundation provided a mineral water purifier machine

Students speak

'Earlier, our school benches were of poor quality, posing injury risks. The new benches have enhanced comfort and attention during classes. I want to become a police officer to serve society.'

Madhavi Goswami
Class VI

'Our longstanding potable water issue was resolved by Balrampur through a new water purifier.'

Sraddha Tiwari
Class XII

'I am happy with the new benches. I now place my pencil box and books below the bench during exams and can lean my back on support.'

Utkarsh Shukla
Class-X

'I used to fall off benches but can sit with more ease. I want to be a big government officer when I grow up.'

Nityanand Goswami
Class-V

School bags for B.S. Primary School students, Singhpur

Balrampur provided students with new water-proof school bags, enhancing their school attendance (improved 20% in six months).

Students speak

'Our previous school bags would not last long and we could bring only about eight books and a water bottle in it. Balrampur's bag is water-proof and one can carry more books and things in it. My mother said: *'Ab naya bag paa gaye ho, acche se padhai karna!'*

Wajid Ali
Class V

'I like the color of my new school bag. My mother packs it for me. When I grow up, I want to be a teacher.'

Kusum Banu
Class V

'I would carry my books in a sack. The new bag makes it possible to use it as a head shield when raining. When I grow up, I want to be a responsible police officer.'

Sajid Ali
Class V

Health care

Installation of a health ATM in CHC Hospital, Haldharman, Gonda

In the past, patients would need to visit the distant Kamalganji District Hospital to conduct tests. BCML's Health ATM made the process simpler, enhancing patient visits. One day, a pregnant woman was to be transferred to the delivery room, but basic medical tests were required before the procedure. By the virtue of machine availability, tests could be conducted immediately, creating the way for a successful delivery.

Technician's feedback

'The patient's personal information is analysed by the machine. The ATM's telemedicine system helps connect patients with specialist doctors across India. It provides preliminary diagnostics in a central location that is communicated via print and WhatsApp, the basis of preliminary diagnosis.'

Uday Bhan
Lab technician

Women's empowerment

Shahnaz's sewing machine turned out handcrafted clothes and was used to run a tailoring school. Balrampur's Maizapur unit provided her with an upgraded sewing machine; it provided 15 sewing machines to her successful trainees, strengthening the tailoring eco-system.

A beneficiary speaks

'The new sewing machine from BCML helped double my income. Due to Balrampur's initiative, my trainees are now provided an Usha certificate, strengthening their livelihood prospects.'

Shahnaz
Mangurahi, District Gonda

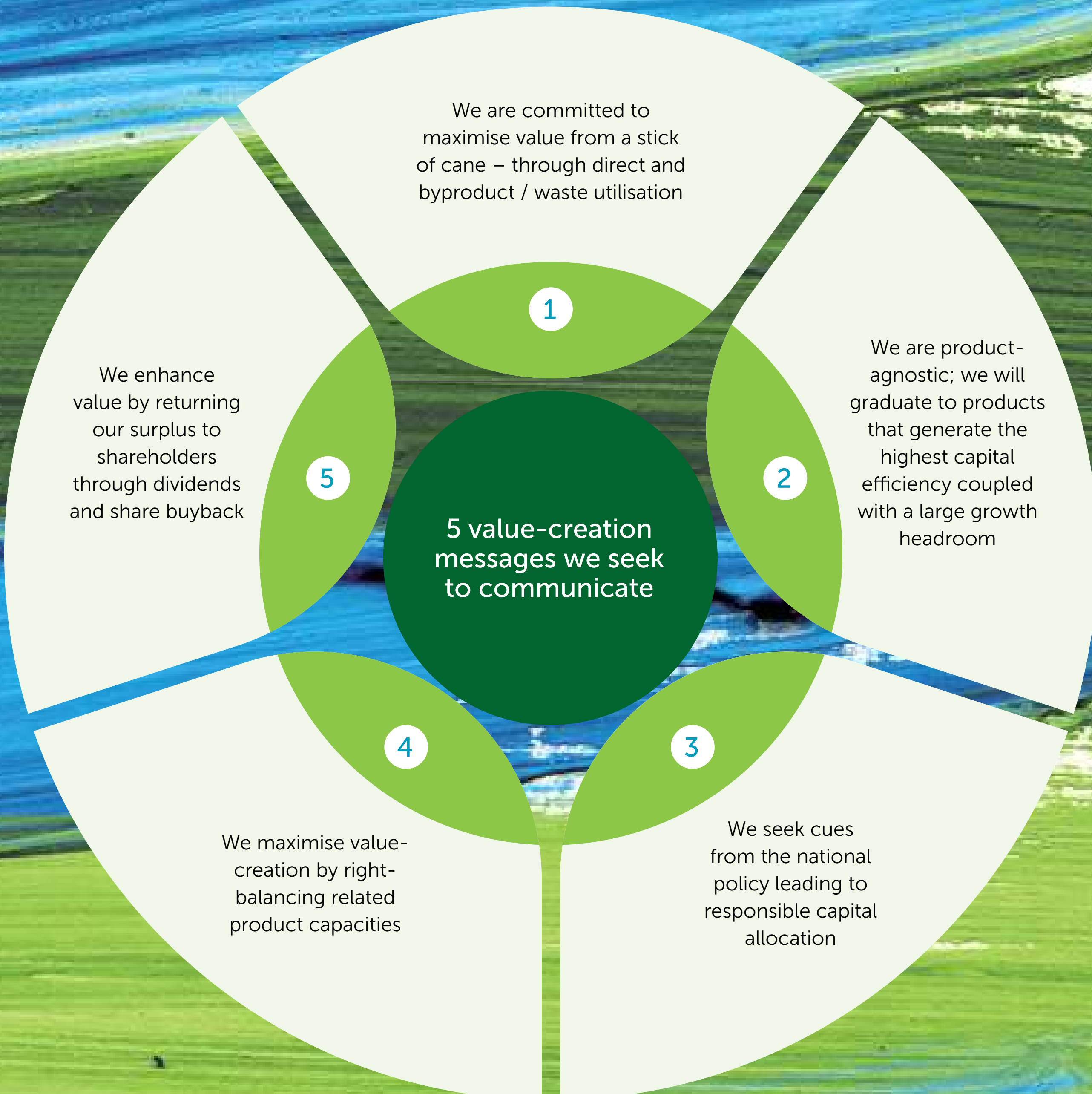
Public infrastructure

Strengthening a police outpost at Haldharman, Gonda

A cramped police outpost was faced with the need for increased recruitment. Balrampur helped create a new police outpost beside the existing one; which helped them serve society better.

Part 4

Enhancing value for all our stakeholders


5 value-creation messages we seek to communicate
1
We are committed to maximise value from a stick of cane – through direct and byproduct / waste utilisation
2
We are product-agnostic; we will graduate to products that generate the highest capital efficiency coupled with a large growth headroom
3
We seek cues from the national policy leading to responsible capital allocation
4
We maximise value-creation by right-balancing related product capacities
5
We enhance value by returning our surplus to shareholders through dividends and share buyback

Our Value Creation through Six Capitals

Overview

The information regarding value created through six capitals has emerged as a comprehensive disclosure tool of how companies enhance stakeholder value.

What makes this tool effective is that it covers all stakeholders affected by the Company's business - employees, customers, suppliers, business partners, banks, local communities, legislators, regulators, policy makers and shareholders.

The reporting format draws on a range of corporate realities - financial, management commentary, governance, remuneration and sustainability reporting – to explain how companies create, enhance, sustain and protect value.

Our sustainability platform

Strategy

- Created a cane-based eco-system of downstream products
- Created fungible capacity, shifting across products based on market realities
- Demonstrated a bias towards products (biofuels) being nationally prioritised

Resource access

- Widen access of early maturing and disease-resistant cane varieties
- Proximate procurement; low logistic costs
- Pay farmers in less than 10 days, incentivizing cane planting

Products basket

- Engaged in three businesses (sugar, ethanol and power co-generation)
- Products mix with diverse risk profiles
- Capacity fungibility (sugar and ethanol) has enhanced market responsiveness

Manufacturing excellence

- Focus on generating more from less ('stretch') across functions
- Focus on low cut-to-crush tenure and enhanced operational performance
- Enhanced business integration and capacity utilisation

Financial structure

- Target to moderate long-term debt and working capital outlay
- Progressively enhance working capital-lightness
- Increase the revenue proportion of working capital-light product line and a profitable ethanol

Environment integrity

- Enhance resource productivity across businesses (more from less)
- Protect the region's ecological balance; engage in complete regulatory compliance
- Invest ahead of the statutory environment standard

Talent productivity

- Create leaders at every factory, function and level
- Deepen processes, systems and decision making closer to ground level
- Build robust teams across subjects, locations and functions

Community engagement

- Provide community support
- Focus on integrated development
- Engage in a sustainable way for extended impact

Employees: They provide the knowledge of how to grow the business (cane procurement, manufacturing, quality, finance etc.); we provide them with a merit-respecting workplace, provide stable employment and investment tools that enhance their productivity

Shareholders: They provided capital when we went into business. To remunerate them, we seek to enhance RoCE, generate free cash, reduce debt, pay attractive returns through dividends and share buy back.

Vendors: They provide a continuously supply of resources (cane, equipment and services). The cane that we procure is remunerated in less than 10 days, an industry benchmark that incentivizes increased cane planting

Stakeholders who empower value-creation

Customers: They purchase our products, generating resources that sustain our operations. Our focus is to sell to a larger and wider number of customers repeatedly, enhancing revenue visibility

Communities: They provide precious social and local capital comprising employees and other supports for our business, putting a premium on reinvesting to make these communities sustainable

Governments: They fix cane prices, outline policies and provide us with a stable framework (law, order, policies etc.) that makes it possible for us to work; we responsibly pay our taxes in full and on time

At Balrampur, we do not prioritise one stakeholder over the other, convinced that each of them keeps us in business and any under-delivery could affect our operations

The resources that go into the value we create

Natural capital: We derive our resources - cane, water, fossil fuels among others — from this capital. As a responsible organization, we consume responsibly, leaving a large part for the community and the world

Social and Relationship capital: We engage actively and responsibly with various stakeholders (employees, communities, governments, customers and supply chain partners); this ensures that their deliverables to us remain consistent and predictable, the core of our governance commitment.

Intellectual capital: We conceive, develop, access or utilise patents, copyrights, intellectual property and organisational systems, processes and protocols. Over the years, their responsible use has translated into a competitive advantage.

Human capital: We have developed a proprietary way of working, which represents a complement of skills and knowledge across individuals and teams. Our success is derived from the effectiveness of our talent retention

Financial capital: We access funds from lenders or owners and our success is tied to our capability in balancing the blend - the right proportion of debt or net worth that would enhance profitability and sustainability

Manufactured capital: We invest in physical infrastructure (buildings, equipment, technologies and tools) that enhances our capability, productivity and competitiveness.

These are the Balrampur constituents of value creation

Strategic focus	Innovate and excel	Cost leadership	Supplier of choice	Robust people practices	Responsible corporate citizen	Value-creation
Key enablers	**Process** excellence, translating into higher plant availability and crushing recoveries higher than the industry or regional average **The** Company enjoys a track record of pioneering achievements, including transforming the Maizapur plant completely to ethanol manufacture	**Culture** of doing more with less **Among** the lowest production costs within the sector **Under-borrowed** Balance Sheet.	**Virtually** unlimited buyer of cane from command areas **Friend-**philosopher-guide in helping farmer protect their crop and enhance yield **Payment** cycle of less than 10 days arguably the lowest in the sector	**People** practice marked by delegation, empowerment, responsibility and accountability. **Culture** of training, fairness, reward and recognition	**Responsible** citizenship, marked by ground level activities in neighbouring communities **Spent** ₹11.95 crore in CSR activities, FY23	**Focused** on stakeholder value-addition products, well-being and environment cleanliness
Major issues addressed	**Superior** technology leading to production efficiency and quality	**Any** market cycle competitiveness	**Revenue** visibility, cost management culture and investing in advanced technologies	**Enhancing** people productivity through enhanced emotional ownership and simpler processes	**Engagement** with community members, understanding their needs and delivering transformative outcomes	**Growing** stakeholder need for enhanced value
Capitals impacted	Manufactured, Intellectual, Financial	Financial, Intellectual, Natural, Social and Relationship	Intellectual, Natural, Manufactured, Social and Relationship	Intellectual, Human	Social and Relationship, Natural	Intellectual, Manufactured, Social and Relationship

Enhancing stakeholder value

Employee value

Salary and wages	FY 19-20	FY 20-21	FY 21-22	FY 22-23
(₹ crore)	254.00	281.65	307.80	363.79

The Company has invested a progressively larger amount in employee remuneration, underlining its role as a responsible employer

Customer value (revenues)

Revenues	FY 19-20	FY 20-21	FY 21-22	FY 22-23
(₹ crore)	4741.29	4811.66	4,846.03	4,665.86

Quantity of sugar sold (domestic)	FY 19-20	FY 20-21	FY 21-22	FY 22-23
(lakhs quintals)	120.53	113.26	102.63	90.38

Quantity of total alcohol sold	FY 19-20	FY 20-21	FY 21-22	FY 22-23
(crore BL)	11.93	16.52	17.65	19.79

Quantity of co-generated power sold	FY 19-20	FY 20-21	FY 21-22	FY 22-23
(crore units)	52. 61	42.63	34.93	31.69

Farmer value

Procurement (sugar cane)	FY 19-20	FY 20-21	FY 21-22	FY 22-23
(₹ crore)	3441.50	3515.38	3252.97	3448.94

The Company is among the largest cane buyers in Uttar Pradesh, enhancing rural prosperity

Shareholder value

Market capitalization as on 31st March	2020	2021	2022	2023
(₹ crore)	2289.10	4504.50	9985.72	7,984.23

The Company has created attractive shareholder value over the years through a complement of prudent strategy, accruals deployment, cost management and share buyback.

Community value

CSR spent	FY 19-20	FY 20-21	FY 21-22	FY 22-23
(₹ crore)	10.93	10.68	11.20	11.95

The Company enhanced local prosperity through a complement of CSR programmes

Statement of value created during the year under review

Financial capital

The Company ensured prudent financial management practices and leverage our business model to strengthen the Balance Sheet and sustain business growth.

EBITDA	Cash earnings per share	RoCE
512.32 ₹ crore in FY 22-23 (₹699.70 crore, FY21-22)	19.87 ₹ in FY 22-23 (₹30.36, FY21-22)	12.55 % in FY 22-23 (20.72%, FY 21-22)

RoNW	Debt repayment
9.97 % in FY 22-23 (19.73%, FY 21-22)	105.58 ₹ crore, in FY 22-23 (₹105.58 crore, FY 21-22)

Manufactured capital

The Company's management invested in new capacities and maintained existing ones to manufacture quality products and in building inbound/ outbound logistics to ensure an efficient supply chain. These investments also help manage our environmental footprint.

Manufactured throughput

>5 products (sugar, ethanol, extra neutral alcohol, power and potash granules)	8.83 lakhs tonnes, Sugar produced	21.49 crore ltrs, Alcohol produced	71.87 crore units, power generated

Human capital

The Company's management, employees and contractual workers form a part of its workforce with their experience and competence, enhancing organisational value.

Permanent employees	Age profile	Employee benefits	Training
6270 (6350 in FY 22)	59 % less <45 years	363.79 ₹ crore in FY 23 (₹307.80 crore, FY22)	9.23 person-hours in FY 23 (7.31, FY22)

Intellectual capital

The Company's focus on cost optimization and operational excellence as well as its repository of proprietary knowledge account for its rich intellectual resource.

Cumulative senior management experience	Employees with the Company for 5+ years	Trademark registered
1327 person-years	80.67 %	Six trademarks were registered under different classes

Natural capital

The Company consumes raw materials sourced from nature. Its activities are directed to have only a nominal environment impact.

Significant investment	Recycled quantum	Increase in the use of recycled water	Reduction in hazardous waste generation
In eco-friendly technologies	100 % of all water consumed	39 %	32.87 %

Social and Relationship capital

The Company's relationships with communities and partners (vendors, suppliers and customers) influence its role as a responsible corporate citizen.

Vendors (other than farmers)	Primary customers	Community lives touched	% of consumer complaints resolved
29,200+ in FY 23 (27,100+, FY22)	5500+ in FY 23 (5300+, FY22)	372+	100

Excellence driver

Balrampur and Natural Capital

How the Company uses natural resources responsibly and sustainably

Overview

Companies competent in their environment management are perceived better by investors, enhancing market valuation.

Balrampur's competent environment management has been enshrined in a complete compliance with environment-related clearances, consents, permissions, licenses and authorisations. The Company is committed to reduce energy consumption quantity, greenhouse gas emissions intensity and graduate from legacy to clean processes. The compliance has been driven by subject matter experts, processes, systems and information technology.

The Company articulated its direction, proposed milestones, controls, environment management systems, due diligence and disaster planning cum response systems. The Company is committed to eliminate waste transfer to landfills, reduce effluents discharge and moderate water consumption intensity. The Company's environment track record is driven by continuous improvement and an examination of processes and materials to seek cleaner alternatives. The Company also mobilises resources proximately, moderating transportation cost and carbon footprint.

The material issues addressed by the Company comprised the following: water consumption and effluent discharge, C02 emission, groundwater withdrawal, waste management, air pollution, green cover restoration and supply chain sustainability. Balrampur has responded to these requirements with a 4R's approach - Recycling, Replacement (Restoration), Reduction and Renewables.

Bagasse-based fly ash is utilised by farmers. The boiler ash from the spent wash incineration boilers (potash-rich) is used in the production of potash fertilizer in a granular form. Sludge from the sugar effluent treatment plant, distillery process and condensate polishing unit is utilised as farm manure.

Sugar effluents are treated, recycled and used in irrigation. Distillery effluent spent wash concentrate is used in MEE and incinerated with supporting fuel (bagasse). Colourless low polluted condensate is treated in condensate polishing units; the recycled water is used in the process; makeup water is used in the cooling tower and distillery for molasses dilution.

Our de-risking measures (materials)

Solids: Boiler ash and sludge from the sugar effluent treatment plant as well as effluents generated from the distillery process, condensate polishing unit and hazardous waste like cotton waste, oil and grease

Liquids: Plant effluents, process condensate, surplus from the sugar plant spray pond, cooling tower, reverse osmosis rejects (sugar); distillery spent wash, MEE condensate, reverse osmosis rejects, blow down water (distillery)

The risks in our business

Air: Suspended particulate matter in the stack as well as suspended particulate matter, nitrogen oxide in flue gas and sulphur oxide in the flue gas (distillery slop fired boilers)

Noise: High decibel sound in the TG boiler, fibrizer and mill areas.

Our de-risking measures (materials)

Air pollution control devices like electrostatic precipitator were installed in the bagasse-fired / slop-fired boilers to moderate dust particles generated from dry fly ash. Wet scrubbers were installed in boilers in the sugar units comprising such bagasse-fired boilers. Incineration boilers comprised bag filters to control fly ash particles in the flue gases

Personal protection equipment was provided for working in high noise areas. A pre-biotic medical check was conducted to monitor worker health. An acoustic enclosure was created. A silencer was attached with noise-creating equipment.

Greening: Trees were planted throughout the year to reduce CO2 emissions. Mass plantation initiatives were also conducted on important days like World Environment Day and Independence Day with employees and communities.

Our de-risking commitment (activity)

Recycling: The Company reused treated wastewater, resulting in zero waste discharge from its distilleries. Solid wastes were responsibly recycled and disposed. We invested in environment-friendly equipment, helping convert press mud (waste) and fly ash (waste) into rich fertilizers and carbon dioxide (GHG emission released in distillation process) into dry ice, which is sold to beverage companies.

Replacement (Restoration): The Company cleaned ponds and rivers near its manufacturing units, planted saplings across its factories, provided organic fertilisers to villagers and recharged the ground water table near its manufacturing facilities (water saved or injected equivalent to consumption) through rain water harvesting techniques.

Reduction: The Company consistently invested in cutting-edge technologies to moderate emissions. We installed advanced CPU to achieve our target of zero ground water extraction. We moderated the consumption of lime, sulphur, water, chemicals and electricity by using efficient technologies and machines.

Renewables: Our co-generation power plants generate power from the use of bagasse, a byproduct generated from sugar manufacture. The generation of 71.87 crore units of power in FY22-23 substituted the use of fossil fuels, helping reduce greenhouse gas (GHG) emissions.

How we moderated resource consumption

- Water recycling
- Reuse of treated water
- Treated water is recycled through RO plants to substitute freshwater requirement
- Replacement of fresh / cold water in the sugar process house
- Replacement of fresh water with cooled excess condensate for equipment cleaning, floor washing and other purposes
- Treated effluents used for irrigation
- Reduced DM/ RO water for plant operations
- Use of energy-efficient motors in place of conventional motors
- Use of variable frequency drives
- Investment in steam and power-saving projects
- Improved the recovery of steam condensate

Certifications awarded

Bonsucro Certification: Balrampur Chini Mills demonstrated the operation of a management system that is compliant with the requirements of: Bonsucro Smallholder Production Standard for Smallholder Farmers; Bonsucro Production Standard and Bonsucro Mass Balance Chain of Custody

The Rauzagaon unit achieved a compliance certificate for the following parameters with other Bonsucro indicators.

Environmental

Goal 6: Bonsucro practice ensures availability and sustainable management of water and sanitation for all;

Goal 11: Sustainable use of terrestrial ecosystems by reducing GHG emissions;

Goal 13: Take urgent action to combat climate change and its Impacts.

Social

Goal 5: Bonsucro standards help achieving gender equality and empower women & girls;

Goal 8: Bonsucro helps promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;

Maintain strong attention in relation to grievance and redressal process.

Economic/Governance

Goal 8: Bonsucro promotes sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;

Goal 12: Bonsucro promotes sustainable consumption & production patterns.

Balrampur's commitment towards water management

Overview

At Balrampur, water management is crucial to continue sustainable sugar operations. The management has provided a clear cut mandate regarding its requirement to comply with all the best possible benchmarks of the industry on water discharge. The Company's vision is to achieve zero ground water extraction through sophisticated recycling infrastructure. During the last five years, the Company has been continuously aiming to reduce its water footprint. Sugarcane, being a water surplus crop, has a water content of more than 70%. The Company enjoys surplus water after the completion of sugar processes.

The Company installed world-class condensate polishing units, which improved the quality of recycled water andenhanced use in various processes, translating into a yearly decline in its water discharge footprint. The Company reported a water discharge of 151.3 litres per tonnes of cane compared to 200 litres per tonnes of cane mandated by the Central Pollution Control Board (CPCB) norms. At BCML, condensate water generated from sugarcane processes is recycled and no additional water, discharged. The Company reported a water discharge of less than 100 litres per tonnes of cane in its Balrampur and Maizapur units. It proactively invested in incinerator boilers in distilleries and made them zero liquid discharge plants. The sugar manufacturing plants are equipped with lagoons for treated water storage.

Challenge and mitigation

The Company possesses a distinctive configuration across its manufacturing units, which creates a challenge to limit the water discharge in all its units as per the CPCB norms. The variations in biochemical oxygen demand (BOD) and chemical oxygen demand (COD), depending on certain factors like process situation, cane input, seasonal range and combination of cane plants, creates a bigger challenge.

The advanced water waste treatment systems, which were installed, helped the Company in using the treated water from its sugar units in its attached distilleries, which reduced the quantum of water discharge. The Company installed the sludge bed process (aerobic) to treat the sugar vapour condensate in seven of its manufacturing units. The treated water is used for high pressure boilers as a part of our recycling initiative.

Highlights, FY 23

- The Company invested significantly in its waste water treatment system in the last two years across different manufacturing facilities. Its sugar units and distilleries possess a well-equipped condensate polishing unit, a benchmark in the industry.
- The Company's Rauzagaon unit achieved compliance with Bonsucro certification.
- The Company achieved 3.5 kilo litre of water/KL of alcohol in its Balrampur distillery, a benchmark for the industry.
- The Company achieved a reduction in ground water withdrawal targets each year.
- The Company conducted its water audits by Federation of Indian Chambers of Commerce and Industry (FICCI).
- The Company achieved zero ground water withdrawal in some units.

Groundwater drawal*

Year	FY 20-21	FY 21-22	FY 22-23
Litres per MT of cane	178	158	124

Water recycled*

Year	FY 20-21	FY 21-22	FY 22-23
Cubic metres	4,88,298	4,73,437	6,62,233

Big numbers*

151.3
Water discharge in 2022-23 (litres per tonnes of cane)

161.3
Water discharge in 2021-22 (litres per tonnes of cane)

21.52
%, reduction in ground water withdrawal in 2022-23

52.18
%, reduction in ground withdrawal in the last five years

**For sugar units*

Balrampur's energy management

Sugar manufacture utilises energy across functions. The Company's objective is to moderate energy consumption through investment in energy-efficient equipment, replacement of legacy turbines with modern alternatives and enhance the use of 'green' fuel.

The Company's target is to reduce wastage and enhance efficiency.

Highlights, FY 23

- The Company has consistently reduced weighted average steam consumption; it consumed 40.92% steam compared to 42% in 21-22.
- The Company was the first in South East Asia to automate sugar crystallization (Mankapur plant), which enhanced energy efficiency.
- The Company installed automated feeder system on the centrifugal machines and air scavengers in the batch machines.
- The Company's boilers are managed by advanced distributed control systems (DCS) across all units
- The Company installed a hot raw juice screen in two units, a pioneering technology across the industry.
- The Company partnered a German entity to install the sugar conveyer system at Kumbhi to ensure energy saving at the sugar conveying and handling system.
- The Company tied up with a third party agency to install bio compressed bio-gas plants in the Balrampur and Kumbhi units.
- The Company's power consumption stood at 33.02 KwH per tonnes of cane, which is among the best in the industry.
- The Company reduced boiler emissions by undertaking major modifications in wet scrubbers.
- The Company installed the latest bag filters in its incineration boilers at the Mankapur and Babhnan units; which helped reduce the emission levels.
- The Company replaced variable frequency drives with AC drives to make the plants more energy efficient.
- The Company installed advanced third generation Short Retention Time Clarifier (patented design of Australian technologist) at the Balrampur and Babhnan units.

How we strengthened our integrated sustainability

31.09
Bagasse produced (lakhs MT)

23.28
lakhs MT bagasse consumed for renewable power generation

4.91
Molasses produced (lakhs MT)

100
% of free molasses consumed to produce ethanol (green fuel)

100
% of fly ash of distillery incinerator boiler consumed to manufacture granulated potash

37634
Potash granules produced (MT)

31.69
Power exported (crore units)

	UOM	CPCB norms	All sugar units			
			Season 2019-20	Season 2020-21	Season 2021-22	Season 2022-23
Cane crushed	MT	-	10537157	8751707	8883136	10300515
Total effluents	Ltrs/MT	200	196.16	186.98	177.45	151.32
COD of discharge water	ppm	250	140.46	133.78	127.77	113.36
BOD of discharge water	ppm	100 for irrigation and 30 for surface water	21.5	18.44	19.22	16.90
TSS of discharge water	ppm	100 for irrigation and 30 for surface water	22.3	20.04	19.27	18.60
Liquid discharge from distillery	Zero	Zero	Zero	Zero	Zero	Zero
The particulate matter emission from boiler	Mg/ Nm3	150	80.7	76.64	68.51	71.69
Ambient air quality (industrial and mixed)	Mg/ Nm3	83.6	14-16	18-22	18-22	18-22

Big numbers

3.50
%, reduction in steam consumption in the last five years

1.08
%, reduction in steam consumption in 2022-23

1.09
%, reduction in steam consumption in 2021-22

Balrampur's green cover commitment

Overview

The Company adopted best tree plantation practices across its units.

Challenges in this area comprised the following:

Management and maintenance: Proper management and maintenance of planted trees are critical to ensure their long-term survival and to maximize the benefits they provide. This can be a challenge in rural areas where resources may be limited.

Damage by stray animals: To safeguard the newly planted trees from being grazed by stray animals is one of the biggest challenges.

Land use conflicts: Land use conflicts arise when there are competing demands for land, such as for agriculture, infrastructure development or industrial purposes. This can make it difficult to find suitable land for planting trees.

Inadequate funding: The challenges in inadequate funding can limit the resources available for planting trees and maintaining them.

Lack of access to technology: Many rural areas in India do not have access to the technology and equipment needed for planting and maintaining trees, such as irrigation systems, soil testing equipment and specialized tools.

Climate change and weather variability: Climate change and weather variability can pose a challenge for tree planting efforts as extreme weather events such as droughts or floods can damage or destroy newly planted trees.

Limited community involvement: The lack of community involvement and engagement can make it difficult to sustain tree planting efforts over time.

The Company countered these challenges with the following initiatives:

Stakeholder engagement: Balrampur engaged employees, local villagers and students in tree planting activities through awareness campaigns, training programs and volunteering initiatives. This helped to build a sense of ownership and commitment to tree planting activities.

Incorporating tree plantation as a core value: The Companies that prioritize environmental sustainability as part of their core values often have institutionalized tree planting as an ongoing activity. This commitment is reflected in the Company's policies, procedures and reporting mechanisms.

Set targets and monitor progress: The Company fixed targets for the number of trees to be planted and monitored progress towards these targets.

Establishing a dedicated team: Balrampur established a dedicated team to oversee tree planting activities. This team is responsible for developing tree planting strategies, identifying suitable locations for tree planting, ensuring proper implementation and maintenance of the planting programs.

Partnering community: The Company partnered with local administration, forest department, gram pradhan etc. to implement tree planting programs in rural areas. These partnerships help ensure that tree planting activities are carried out in a sustainable and community-centered manner.

Balrampur's tree planting practices

Nursery management: The Company undertook a structured management of nurseries for successful tree planting (quality seeds, seedling nutrition, pest cum disease control and appropriate watering).

Site selection: The Company selected areas with the right soil, water availability and sunlight exposure, avoiding areas prone to erosion, landslides and flooding. Planting sites at schools, hospitals, villages and local areas were preferred.

Species selection: The Company selected the right tree species to increase bio-diversity. This involved selecting native species that are ecologically suitable for the region, resistant to pests and diseases and capability to adapt with changing climatic conditions.

Planting techniques: The Company initiated proper planting techniques essential for ensuring tree survival and growth. This included digging the correct hole size, planting the seedlings at the right depth and ensuring good soil-to-root contact.

Maintenance practices: The Company undertook plant maintenance for ensuring the survival and growth of planted trees. The Company provided proper irrigation, controlling weeds and protected seedlings from grazing animals.

Monitoring and evaluation: The Company conducted regular monitoring and evaluation of tree planting initiatives to measure their impact and make adjustments. This included tagging and tracking tree growth, survival rates and carbon sequestration rates.

Trees planted by the Company

FY 21	FY22	FY 23
50,298	1,50,137	1,84,354

Part 5

How we have deepened a culture of excellence

How BCML deepened its cane development responsibility

Overview

The role of cane quantity and quality is central to the growth or profitability of a sugar company.

The success of such a company is dependent on planting the right cane variety, resistance to disease, maximizing farm yield and generating superior recovery. The Company is attractively placed; it enjoys a rich track record in enhancing farm yields through captive nurseries where practices are validated before being propagated, introduction of suitable cane varieties, advocacy of wider cane planting, use of modern farm catalysts or practices and engagements with cane research institutes.

One of the decisive improvements made in the last few years has been an increasing use of technology and science in cane development. The Company shifted from an excessive dependence on insecticides or pesticides to mechanical disease control, comprising timely extraction or removal to arrest disease spread. Besides, the Company leveraged different new methods for periodic field monitoring, making it easier and quicker to assess planting estimates.

The Company embarked on the process to replace the conventionally high-performing C0238 cane variety – increasingly vulnerable to red rot disease - with new alternatives (C0118 and CO15023). The pace of replacement is expected to create a new foundation of advanced cane varieties, generate high farm yields and superior recoveries across the coming years.

Challenges and mitigation

The cane areas in and around Kumbhi and Gularia reported a severe top borer attack, affecting nearly 62.01 lakhs sticks of cane.

The Company surveyed the damaged farm plots periodically and meticulously for six months following disease outbreak. It identified top borer symptoms and engaged large labour teams to remove the diseased cane sticks; pesticides helped moderate occurrence; bleaching powder sanitized the cane fields, preparing the evacuated parts for fresh cropping.

During October 2022, there was extensive cane stick collapse due to excessive rainfall in and around Kumbhi and Gularia, affecting crop prospects.

The Company engaged with cane growers through modern technology interventions, recruited labourers and re-erected the cane.

The Company encountered challenges in replacing the C0238 cane variety with the C0118 variety and multiply the CO15023 and CO14201 varieties.

The Company convinced cane growers in reducing coverage of the C0238 cane variety and multiplying new cane varieties of C0118, CO15023 and CO14201, resulting in timely farm rejuvenation.

Strengths

Knowledge: The Company engaged scientists and laboratories (tissue culture and soil testing)

Structured approach: The Company created a reporting organogram marked by authority, accountability and responsibility across every individual, tier and position.

Periodic checking: The Company conducted a periodic cane quality review during procurement, serving as a check and balance

Relationships: The Company strengthened its farmer relationships through an assistive engagement (advice and subsidized provision of seeds and nutrients), timely remuneration and technology-based communication.
The result is that the Company enjoyed a fiduciary engagement with more than 550,000 farmers in FY 23; 61% farmers the Company had worked with for five years or more.

Prompt planning: The Company's vision document for the cane development team highlighted challenges, counter-initiatives, targets, responsibilities and monitoring practices, enhancing structural transparency

Team: The Company addressed ongoing cane development initiatives through a 712-member team that travelled more than 3337 kms a day on average (aggregated)

Digitalisation: The Company leveraged the use of data analytics and the Balram app that assisted cane growers on farm practices, policies and processes

Highlights, 22-23

- The Company crushed 9.37 crore quintals of cane in FY22-23 compared to 8.85 crore quintals of cane in FY 21-22; the 5.87% growth in cane crushing was achieved through a larger cane area, better agricultural practices, change in cane variety and a timely management of cane disease.
- The Company increased cane area by ~10% compared to a 6% increase in cane area in the previous year. The Company's cane area stood at 3.24 lakhs hectares in 2022-23 compared to 2.94 lakhs hectares in 2021-22.
- The Company added around 29000 cane growers, taking the total to around 5,26,582 by the close of the year under review.
- The Company advised farmers on superior cane practices (use of urea within seven days of cane harvesting), translating into an enhanced cane yield.
- The Company provided press mud at a subsidised rate, helping farmers enhance organic compounds in the soil.
- The Company renovated three soil testing laboratories (Balrampur, Mankapur and Rauzagaon) towards best-in-class technologies; an experienced scientist was engaged to provide soil insights.
- The Company invested in a tissue culture laboratory to generate superior seed strains; the seeds were distributed to growers on a regular basis to moderate disease possibility
- The Company provided advanced equipment to farmers to enhance soil attributes

Outlook, FY 23-24

The Company intends to take its cane development agenda ahead. The Company will continue replacing the legacy C0238 variety with C0118 and other improved variants. The Company will enhance mechanical control to reduce the incidence of red rot disease and cut-to-crush tenure. The Company will continue to propagate tissue culture and soil testing; it will improve ratoon management, enhance farm yields and increase cane area.

Balrampur: Enhancing the quality of farmer lives

"The Company provided subsidized agri implements, which increased production equivalent to ₹6,000 per month. The income growth helped get my daughter married and educate my children in good schools."

Kesari Singh
Babhnan

"10 acres of land were affected by red rot disease in 2021. The Company advised me to shift from the C0238 cane variety and uproot existing sticks. Thereafter it provided seeds of a new variety and pesticides. The result: no red rot disease in 2022!"

Saleem Hassan
Balrampur

"I have been supplying cane to Balrampur since 1993. I doubled cane coverage to 5 acres at the behest of the Company's officials and cane output per acre increased 20%. The Company trench method of planting helped enhanced cane yield and weight. This helped address the needs of my family of seven."

Sameer Verma
Mankapur

"When we encountered labour shortage, Balrampur provided subsidized agri-implements and training due to which agri yield increased from 50 quintal to 100 quintal within the space of ten years. Timely payment enhanced living standards. Ms. Avantika Saraogi visited my house and farmland, which motivated me to adopt new farming techniques."

Uday Pratap Singh
Babhnan

"Balrampur's Kisan Suvidha portal helped access precise details related to our payment, climatic alerts, disease prevention and cane supply tickets. We use the Balram app frequently."

Praveen Singh, Mankapur

"Balrampur's cane officers undertook proactive measures to ensure the timely availability of medicines, seeds and agri inputs. This helped double my cane yield to 110 quintal in a few years."

Amritnath Tiwari
Babhnan

"My cane area was affected by the red rot disease in the 21-22 sugar season. Balrampur advised us to use specific pesticides and replace seeds with the new CO 14201 and CO15023 varieties (subsidized). Balrampur advised every farming intervention: seeds procurement, prudent planting, timely pesticide use and the right implements. This increased my farm earnings by 30%."

Ramji Pandey
Balrampur

"Balrampur's support - subsidized agri-inputs – helped me produce 25% more. Previously, farmers were not able to earn enough to achieve a standard livelihood, which forced them to travel to cities and work as labourers. Now I have renovated my thatched hut into a furnished house."

Gyanendra Mani
Mankapur

"Thanks to Balrampur's farm support and the increased earnings derived from it, my son is now a qualified engineer."

Ramesh Kumar Singh
Balrampur

Balrampur and financial capital

Financial snapshot, FY 22-23

10.98
% EBITDA / Revenue from operations

12.55
% Return on capital employed

9.97
% Return on net worth

13.51
₹, Basic earnings per share

Introduction

The Company's financial capital is generated annually from the surplus derived from business operations on the one hand and financing activities on the other. This comprises the prudent and timely mobilisation of debt or net worth in response to market dynamics, strategic needs and probable asset monetisation.

The material issues addressed in this regard comprise business growth, long-term profitability and strategy development.

Financial Capital drivers

Capital allocation: Nearly 46% of the Company's investment since FY19 was invested in the more profitable distillery business. Ethanol sells faster than sugar and accelerates receivables inflow, resulting in declining working capital.

Balance Sheet size: From a peak working capital outlay of ~₹1400 crore a few years ago to ~₹1264 crore at present there are plans to reduce going forward. The larger the Company from an ethanol perspective, the better its liquidity – as measured by interest cover, cash flow analysis, cash and bank balance, gearing and interest as a proportion of revenues, empowering accrual-driven investing.

Scale: Balrampur invested ~₹1746 crore in gross block across five years. The Company increased its distillation capacity from 560 KLPD to 1050 KLPD, which became effective during the 2022-23 sugar season and is positioned to generate superior financial returns

Debt management: The Company's ₹856 crore capital expenditure was funded through accruals to the extent of ₹390 crore and the rest from a term loan, which comprised of concession in interest from the government.

Cane dynamics: The Company focused on enhancing cane development, yield and volume to broadbase its operational foundation

Balanced: The Company grew its ethanol manufacturing capacity only to the extent of feed-stock available within, maximizing the use of resources and employed capital.

Sacrificing sugar: The Company estimates which business will be more profitable (ethanol or sugar), prompting a corresponding sugar 'sacrifice' quantum based on prevailing market dynamics.

Blend of molasses routes: The Company outlined processes for ethanol manufacture, a transparent matrix that pre-decides the process to be utilized across each plant and how it will contribute to our profitability. In FY 22-23, the Company sacrificed ~9.6 lakhs quintals of sugar (65.8% cane diverted to B-heavy) to produce B-heavy molasses compared to ~11.3 lakhs quintals of sugar (69.3% cane diverted towards B-heavy in FY 21-22). The Company sacrificed the entire sugar at the Maizapur unit and a certain portion at its Balrampur unit to produce ethanol from syrup. Ethanol produced from cane syrup or molasses generated from within and can be sold as soon as it is produced-low inventorisation.

Multi-feedstock flexibility: The Company invested in flexibility to switch between direct sugarcane syrup and broken rice, which will help operate the plant round the year with a higher RoCE and declining payback.

Assured procurement: To enhance business attractiveness, oil marketing companies issued five-year ethanol vendor contracts intended for procurement, enhancing demand visibility for our Company considerably higher than production.

Debt component and cost: At Balrampur, out of our term loan borrowing of ₹466 crore, ~70% is subsidized, which helped sustain a capital expenditure of ~₹856 crore, carrying a 50% interest subvention from the Government and a four year repayment tenure following a one-year moratorium – an attractively viable debt structure.

A snapshot of our Financial Capital outcomes

Increasing capital efficiency

3561.74 ₹ crore, capital employed, FY 22-23	**3034.22** ₹ crore, capital employed, FY 21-22	**2921.00** ₹ crore, capital employed, FY 20-21

Rising net worth

2,822.43 ₹ crore, net worth, 31 March 23	**2,705.16** ₹ crore, net worth, 31 March 22	**2,510.85** ₹ crore, net worth, 31 March 21

Better structure (EBITDA/Net block) *

19.72 %, FY 22-23	**42.83** %, FY 21-22	**44.65** %, FY 20-21

*Excluding CWIP

Lower gearing in the industry

0.21 (X), gearing, FY 22-23	**0.09** (X), gearing, FY 21-22	**0.14** (X), gearing, FY 20-21

Liquidity position

Particulars	FY18-19	FY19-20	FY20-21	FY21-22	FY 22-23
Cash accruals (₹ crore)	666.49	610.70	581.65	628.52	405.03

Balrampur and Manufactured Capital

Big numbers

80.1
% sugar capacity utilization, FY 22-23 (based on 150 days of working)

76.2
% sugar capacity utilization, FY 21-22 (based on 150 days of working)

87.4
% distillery capacity utilization, FY 22-23 (based on 330 days of working)

88.3
% distillery capacity utilization, FY 21-22 (based on 330 days of working)

Introduction

Balrampur enhanced the efficiency of its manufactured process, warehousing and logistics. The Company is integrated from raw material to value-added end products, strengthening cost leadership. The Company has invested in technologies, safety and dependability, enhancing production. The outcomes: high plant availability, superior asset utilisation and a moderated production cost. The material issues addressed comprised the following: uniform management of asset utilisation across ten units, creation of a unified Balrampur culture, superior product and service quality as well as technology, product and process innovation.

Balrampur also enjoys an inspiring multi-decade track of timely projects completion, particularly relevant in a business where incremental capacity needs to be commissioned to coincide with the start of the cane crushing season (every day delayed represents revenue loss). This track record has been influenced by adequate financial allocation, stagewise planning, empowered teams, timely decisions and dependable vendors. The success of the Company in this regard is derived from the fact that project management capabilities have grown: peak annual project management has grown from ₹100 crore in FY19-20 to ₹1100 crore during the year under review; besides, the maximum concurrent projects addressed by the Company has increased from one to six, leveraging technology and process investments.

BCML and quality

The Company has grown its business around the prudent selection of manufacturing technologies. These technologies have been marked by the following realities: relative stability, obviating the need for periodic technology investments; a growing investment in digitalized controls enhanced the predictability of outcomes and moderated the role of monitoring professionals; the technologies enhanced product outcomes (sugar colour, grade size, taste, crystal lustre and hygiene); the digitalized controls enhanced process dependability, moderating unplanned downtime and accelerating utilisation towards peak levels in the shortest time since commissioning.

The Company produced refined sugar with a yellowish colour, enhancing output hygiene in line with the post-Covid market need. The Company deepened checks and balances; the quality of sugar was periodically tested (internally and externally).

During the year under review, the Company ensured touch-free operations across five units, enhancing product integrity in line with international standards.

Balrampur's manufacturing / project management strengths

Timely commissioning: The Company completed the commissioning of two distillery projects and sugar units modernization projects on schedule, making it possible for the manufacturing teams to capitalize with speed in enhancing throughput

Optimisation: The Company is respected for its ability to maximise in-process recovery, higher than the prevailing average of similar mills in East and Central Uttar Pradesh. The Company optimises inputs to neutralise price escalations.

Culture: The manufacturing team built operations around a culture of nimble and informed decision making, strengthening its capacity to address a number of improvements without the engagement of an external vendor

Compliance: The Company deepened its extensive compliance with a virtual absence of penalties, show causes and legal issues.

Efficiency: The Company deepened process parameters - bagasse pol, bagasse moisture, sugar recovery, steam and power consumption - to monitor ongoing plant efficiencies.

Quality: The Company implemented predefined quality standards for managing a refined sugar unit; a certification was obtained from an external agency as per Food Safety and Standards Authority of India (FSSAI) guidelines.

Passion in action

A Balrampur unit vendor was likely to delay delivery. The vendor failed for the third time in three weeks. A BCML delegation was dispatched to the vendor's factory in Bangalore to investigate. The result was that the Balrampur team literally assumed control of the vendor's factory, inducted expert talent, provided adequate resources and asked the proprietor to accelerate execution. The Balrampur team supported the vendor until supplies normalized.

Achievements, FY 2022-23

The Company completed six large projects during the year under review, a landmark achievement in the Company's operational history. The projects undertaken by the Company in FY 22-23 were:

One, the Company completed a 320 KLPD greenfield distillery in Maizapur, the largest at a single location in the Company's existence. The Company more than doubled the Balrampur unit distillery from 160 KLPD to 330 KLPD with a state-of-the art condensate polishing unit.

Two, the Company replaced all generic equipment with upgraded alternatives in the Balrampur unit, resulting in higher capacity utilization. The Company introduced advanced technologies (condensate polishing unit and production), strengthening distillery efficiency

Three, the Company replaced legacy tandems in the Babhnan unit with state-of-the-art alternatives, enhancing efficiency.

Four, the Company graduated the conventional Kumbhi sugar factory into a refinery addressing international standards. This sugar was mostly exported at premium realisations. The Company strengthened sugar quality, enhancing its acceptance by prominent FMCG (chocolate, biscuits and carbonated beverages) brands.

Five, the Company moderated water consumption and maximized recycling across its sugar and distillery units. The Company's integrated units (sugar and distillery) were further upgraded to zero liquid discharge, strengthening environment responsibility.

Six, the sugar manufacturing units recorded a 3.9% growth in capacity utilization. The Company conducted 628 shopfloor management workshops in 22-23 (560 workshops in 21-22). The Company introduced cross-functional unit training where mechanical engineers were rotated to operate different functions (mill to boiler and vice versa). The Company organised periodic tool-box talks, conducted 122 periodical safety drills and covered all shopfloor equipment.

Outlook, FY 23-24

The Company intends to introduce the non-touch option across all its sugar manufacturing facilities, enhancing process hygiene. The Company intends to further treat surplus treated water generated from the sugar operations for distillery operations (process water), minimizing ground water extraction and eliminating water discharge challenges.

Part 6

A review of our businesses

The sugar business: The core of our business

Big numbers

4338.57
Revenues in FY 22-23 (in ₹ crore)

4,262.98
Revenues in FY 21-22 (in ₹ crore)

78.50
Proportion of sugar in overall revenues, FY 22-23 (%)

80.68
Proportion of sugar in overall revenues, FY 21-22 (%)

Overview

Balrampur possesses the second largest sugar manufacturing capacity in India, its aggregate crushing capacity being 80,000 tonnes (2000 tonnes expansion under implementation) of cane per day as on 31st March, 2023. The Company's ten manufacturing plants in cane-rich Uttar Pradesh have helped enhance economies of cane procurement, by-product utilisation and logistics.

The Company is recognised as one of the most efficient sugar manufacturers in India. Its sugar business accounts for its largest revenue proportion, creating the foundation for downstream businesses (ethanol and co-generation).

Challenges and mitigation, FY 22-23

The Company faced challenges due to floods in Balrampur and Tulsipur during the late monsoon of 2022, which affected feedstock production and recovery.

The Company educated the farmers in the responsible use of pesticides and water diversion, helping moderate crop damage.

The Company was required to complete projects in the Balrampur, Babhnan and Maizapur manufacturing units; mill house modifications created production challenges.

The Company engaged with more contractors and enhanced vendor interaction to ensure timely equipment procurement, strengthening timely projects completion.

Competitive strengths

Second largest: Balrampur is the second largest private sector sugar manufacturer in India with an experience track record across five decades.

Efficient: Balrampur is among the most efficient sugar producers; its downtime is among the lowest

Track record: Balrampur has consistently achieved among the highest recoveries in East and Central Uttar Pradesh

Location: The Company's eight manufacturing units are located in Eastern Uttar Pradesh and two in Central Uttar Pradesh, a geographical advantage.

Availability: The Company's periodic asset monitoring has enhanced uptime.

Technology: The Company installed the most advanced energy efficient motors and steam saving devices in its sugar mills; its sugar testing lab is equipped with auto samplers, reflector shooters and total reducing sugar analysers, enhancing sugar recovery.

Variety: The Company covered 97% of its command areas with the early maturing cane variety, enhancing recovery and farm productivity.

Highlights, FY 22-23

- The Company crushed 93.66 lakhs tonnes of cane compared to 88.54 lakhs tonnes in FY21-22
- The Company recorded a pre-diversion sugar recovery of 11.55% compared to 11.55% in FY21-22.
- The Company's sugar mills recorded reduction in breakdown compared to the previous financial year.
- The Company's sugar ICUMSA value stood at 20 units in the refinery and 90 units in the sulphitation plant, an improvement compared to 25 units in refinery and 95 units in the sulphitation plant in the previous year.
- The Company installed a sugar refinery in its Kumbhi manufacturing facility; it converted the sulphitation sugar unit to a refinery in Balrampur
- The Company recorded a 1.08% decline in its steam consumption and 1.25% improvement in bagasse saving
- The Company achieved FSSC 22000 registration in Mankapur, Kumbhi and Rauzagaon units.

Way forward

The Company intends to expand its Kumbhi sugar unit by 2000 TCD in 2023-24 and commission a fine grain sugar plant in Rauzagaon (by September 2023). The Company will deepen its cane development focus as its building block.

Operational summary

Cane crushed (lakhs tonnes)

Unit	March 19	March 20	March 21	March 22	March 23
Balrampur	16.17	15.46	16.79	13.64	12.36
Babhnan	13.00	11.75	11.22	10.12	10.89
Tulsipur	9.22	8.11	8.19	5.42	6.52
Haidergarh	5.10	4.70	3.39	4.44	4.94
Akbarpur	11.36	10.24	10.10	8.78	9.29
Rauzagaon	9.12	9.02	8.07	7.46	8.00
Mankapur	11.43	10.17	11.71	9.88	10.52
Kumbhi	15.64	13.58	14.38	12.69	13.24
Gularia	15.06	14.30	15.12	12.72	13.48
Maizapur	4.26	4.70	4.29	3.39	4.43
Total	110.36	102.03	103.26	88.54	93.66

Sugar produced (lakhs tonnes)

Unit	March 19	March 20	March 21	March 22	March 23
Balrampur*	1.86	1.70	1.75	1.35	0.82
Babhnan	1.41	1.30	1.09	0.96	1.08
Tulsipur	0.99	0.91	0.89	0.61	0.62
Haidergarh	0.56	0.52	0.39	0.51	0.56
Akbarpur	1.29	1.22	1.08	0.89	0.95
Rauzagaon	1.09	1.08	0.96	0.86	0.90
Mankapur	1.30	1.09	1.35	1.16	1.21
Kumbhi	1.93	1.70	1.51	1.21	1.37
Gularia	1.84	1.57	1.51	1.21	1.32
Maizapur	0.51	0.58	0.44	0.34	**
Total	12.78	11.67	10.98	9.10	8.83

* 1/3rd of sugarcane diverted towards syrup route during sugar season 2022-23
** entire sugarcane was diverted towards syrup route during sugar season 2022-23

Our distillery business, the corporate profitability driver

Big numbers

1163.98
Distillery revenues in FY 22-23 (₹ crore)

1001.41
Distillery revenues in FY 21-22 (₹ crore)

21.06
Distillery revenues in the overall turnover, FY 22-23 (in %)

18.95
Distillery revenues in the overall turnover, FY 21-22 (in %)

Overview

Balrampur commissioned its maiden distillery in 1995; this segment of business is engaged in the production of industrial alcohol and ethanol. The Company's distillery units convert a large proportion of molasses into ethanol, enabling it to service oil marketing companies. Besides, the Company generated revenue visibility, increased bottomline and faster realisations, transforming the health of the Company's Balance Sheet.

The Company has distilleries in five locations (Balrampur, Babhnan, Mankapur, Gularia and Maizapur) with an aggregated production capacity of 1050 KLPD. The Company's Maizapur distillery commenced operations in November 2022 (320 KLPD). The Balrampur distillery was expanded from 160 KLPD to 330 KLPD with a state-of-the art condensate polishing unit.

Challenges and mitigation

The implementation of large ethanol projects in Maizapur and Balrampur posed a challenge to the distillery business due to logistical and safety issues.

The Company planned the Balrampur distillery expansion in phases to minimize any production stoppage. The Company's Maizapur plant was completed on time, validating the Company's 'Stretch' culture.

Competitive strengths

Eco-friendly: The Company's distillery units are marked by zero liquid discharge

Technology: The Company's distillery units are equipped with-cutting edge condensate polishing units with granulation plants (Gularia, Mankapur and Balrampur).

Quality: The Company's ethanol quality has not encountered complaints from oil marketing companies.

Cost: The Company's production cost is arguably the lowest in the industry.

Flexibility: The Company manufactures ethanol from the sugarcane syrup, B-Heavy, C-Heavy and grain routes, enhancing resource and tender qualification flexibility

Scale: The Company's distillery capacity (1050 KLPD) is primarily fed by a captive input availability and economies of scale.

Highlights, FY 22-23

- The Company generated ₹1163.98 crore in revenues compared to ₹1001.41 crore in FY21-22.
- The Company supplied 19.79 crore bulk litres of alcohol compared to 17.65 crore bulk litres in FY21-22.
- The Company generated average blended realisations of ₹55.30 per bulk litre compared to ₹53.38 per bulk litre in FY21-22.
- The Company commissioned its fifth distillery (Maizapur) with an ethanol production capacity of 320 KLPD.
- The Maizapur distillery was fed by grain for 15 days before switching to syrup.
- The Company expanded its Balrampur distillery from 160 KLPD to 330 KLPD.
- The Company produced and sold CO2.

Way forward

The Company aims to operate its distilleries (existing capacity) at rated utilization. Prospective expansions will be influenced by feedstock availability.

Operational summary

(in crore bulk litres)

Year ended	March 19	March 20	March 21	March 22	March 23
Alcohol production (including Ethanol, ENA etc.)	10.66	12.76	17.06	16.31	21.49
Alcohol sales	11.10	11.93	16.52	17.65	19.79

Our co-generation business: Stable revenue contributor

Overview

The Company commissioned its power co-generation business in 2003; it possesses co-generation power plants across all its manufacturing facilities with a cumulative saleable capacity of 175.7 megawatts. The Company consumed ~55.91% of its co-generated power in FY 22-23 and exported the rest to the state electricity grid.

Challenges and mitigation

The government's decision to reduce power tariff payable to co-generation companies moderated returns and affected new investments.

The Company took up the issue through the nodal sugar association to escalate and seek legal remedy. After the power purchase agreements expire, the Company is expected to sell power in the open market.

Competitive strengths

Largest: The Company is among the largest power exporters in Uttar Pradesh - saleable co-generation capacity was 175.7 MW as on 31st March 2023.

Pioneer: The Company was among the first in India's sugar sector to establish co-generation plants in 2003.

Steam to bagasse ratio: The Company's steam-to-bagasse ratio is among the lowest in the sector, an index of efficiency.

Rational: The Company's power plants get the advantage of rationalisation in manpower due to the incineration boilers installed.

Highlights, FY-22-23

- The business generated 71.87 crore units of power compared to 72.72 crore units in FY21-22.
- Exported 31.69 crore units to the state electricity grid compared to 34.93 crore units in FY21-22.
- Average realisations were ₹3.42 per unit compared to ₹3.30 per unit in FY21-22.
- Installed bagasse dryers in Mankapur and Balrampur, saving steam.

Way forward

The Company will operate the power plants during sugar operations to address in-house requirements and sell surplus bagasse in the open market.

Operational summary

(in crore units)

Power	March 19	March 20	March 21	March 22	March 23
Power generation	104.97	90.24	80.65	72.72	71.87
Power sales	66.38	52.61	42.63	34.93	31.69

Balrampur and Human Capital

Big numbers

74.42
(₹ in lakhs) Per employee productivity / year

29
Percentage of women on the Board

9.23
Person-hours in FY 22-23

Overview

The Company's business is driven by the quality of its talent, catalysed by skill renewal and benchmarking with the best industry standards. The objective of the Company is to be respected as one of the best workplaces in its sector. The material issues addressed comprised the following: Health and safety, labour relations, local sourcing of labour and talent retention.

Talent productivity

At Balrampur, the Company's focus is to enhance competitiveness. In a business marked by the need to make timely investments, enhance capacity and broad-base the portfolio, there is a consistent premium in strengthening the operating culture around meritocracy, diversity and all around efficiency.

The Company expects to enhance the role of knowledge cum experience over the conventional perspective of people retention. In doing so, the Company intends to strengthen team effectiveness, deepen learning orientation and enhance productivity.

During the last financial year, the Company articulated its human resource intent. This focus will be strengthened during the current financial year and the results are expected to become more visible from 23-24 onwards.

People management philosophy

At Balrampur, we are one of the most respected talent recruiters within the sugar sector. The objective is to make our Company a preferred place to work across sectors.

The Company provides attractive career enhancing opportunities, marked by consistent learning and development. The Company invested in state-of-art manufacturing facilities and office infrastructure, marked by safety, collective pride and enhanced productivity.

The Company provides attractive residential accommodation for employees and their families in and around its manufacturing facilities, enhancing pride and convenience.

People management practices

Recruitment: At Balrampur, cultural fitment is an important selection criterion, coupled with educational qualifications and experience. Panel members check and appraise the technical knowledge and behavioural pattern of prospective candidates. At a sectional and departmental head level, two interview rounds are conducted by teams from the unit and head office to eliminate any recruitment bias.

Annual appraisal: The Company appraises employees annually with feedback from different sections to facilitate holistic evaluation.

Promoting meritocracy: The Company developed a robust training needs identification methodology; each person expresses personal training needs, coupled with the views of reporting seniors and plant heads, based on which a year-long training calendar is formulated. A post training assessment helps evaluate effectiveness.

Key result areas of employees are provided at year-start, the basis of year-end performance appraisal. The outcomes are discussed in a collective forum (in the presence of the corporate and unit teams). These initiatives ensure that the deserving are credited, promoting a culture of meritocracy.

Training and development: Technical vendors trained middle managers on enhancing equipment utilization followed by an assessment. Middle level managers were encouraged to train blue collar employees in equipment use, helping cascade the training culture across the organisation. Cross-functional training was facilitated by the transfer of sectional heads and senior shift managers to different sections for around 20 days during the crushing season, catalysing holistic decision making.

Succession planning: The Company identified high potential employees, who were prepared for higher roles through individual development programmes. The Company worked with the candidate until he or she was ready for the new role.

People management initiatives, FY 2022-23

- The Company developed a skill matrix for blue-collar workers.
- The Company developed the residential colony infrastructure of its units, strengthening family amenities and community lifestyle (community hall, gym, playground, grocery store and dispensary).
- The Company conducted cultural engagement programmes (on 26th January, 15th August, sporting events, family get-togethers and cultural events).
- The Company hosted seven webinars to provided technical training to employees.
- The Company resolved to enhance the role of women in cane management (recruited six women across four plants).

Outlook, FY 23-24

The Company intends to create a pipeline of leaders, strengthening succession planning. The colony housing infrastructure is expected to be completed across all units by the end of FY 23-24.

Big numbers

6,270
Permanent employees as on 31st March, 23

44.6
Average employee age (years) as on 31st March, 23

92.9
% of employees retained as of FY 22-23

Balrampur's healthcare commitment

Balrampur prioritises the health of those engaged in its eco-system comprising employees, farmers, vendors, community members and trade partners. The Company ensures proper housekeeping, work-life balance, periodic health checks, insurance coverage and nutritious canteen facilities. The Company was certified for FSSC 22000 certification (Mankapur, Rauzagaon and Kumbhi manufacturing units). The Company's dispensary across all units conducted frequent health checkups. The Company tied up with reputed hospitals; doctors from these hospitals periodically visited its manufacturing units. An analysis of frequent illnesses translated into awareness programs.

Balrampur's safety commitment

At Balrampur, operational safety is at a premium in the operation of rotary equipment, boiler and TG operation, working at heights, temperature exposure (welding and cutting), sugar and alcohol loading, excavation, electrical maintenance, acid and chemical handling as well as static electricity generation. Besides, there are possibilities of major and minor injuries and accidents.

The Company enhanced safety through proactive safeguards: enunciated policy, safety priority by the Board, safety awareness, periodic safety performance reporting, recruitment of experienced professionals, training, mock drills, investment in safe equipment and observation of an annual Safety Week.

Besides, a precise and documented allocation of employee responsibilities, formal work permit system, elaborate safety policies, methodical incident / accident reports, personal protective equipment use, relevant signage across manufacturing locations, cautionary advice, controlled access, material visible safety data sheet signage, penal provisions for unsafe acts, comprehensive fire safety system, detailed emergency evacuation plan and periodic safety audit was conducted.

The Company's ESG committee was spearheaded by Mr. Vivek Saraogi, Chairman and Managing

Director. The Company's safety team comprised 12 personnel as on 31st March, 2023. The Company defined safety indicators (leading, current and lagging indicators) that reported each incident, unsafe behaviour, near miss, accident case, loss of work case, medical treatment case, disaster cases and bottlenecking. During 2022-23, the Company invested ₹21.36 crore towards the development of its safety infrastructure. The Company identified unsafe behaviour and unsafe conditions through assessments. The Company implemented a three-tier safety audit.

Lost time due to injuries performance, 2022-23

Unit name	Near miss		LTI record	
	FY22-23	FY21-22	FY22-23	FY21-22
Balrampur	30	13	3	3
Babhnan	10	9	1	0
Tulsipur	13	1	1	0
Haidergarh	6	1	0	0
Akbarpur	24	22	0	0
Rauzagaon	33	0	0	0
Mankapur	13	13	0	2
Kumbhi	8	8	1	2
Gularia	27	21	2	2
Maizapur	95	16	7	2
Total	**259**	**104**	**15**	**11**

Accidents frequency

Our safety certifications

- MAH licence under Factories Act
- PESO licence
- Fire safety activeness certificate
- Pressure vessel certificate
- Fitness certificate for lifting equipment
- No objection certificate for sulphur storage

On-site emergency plan from competent persons

Periodic Safety Audit by an external agency/ competent professionals

What Balrampur employees have to say about working at the Company

"During my visit to the Akbarpur factory, I came to know of some important cane developments (not my focus area). The cane survey results were out that day and a thought occurred: compare the farmer-wise supply data with projections, to ascertain under-delivery and related reasons. This perspective was welcomed and my idea was implemented."

Rohit Bothra
President, Taxation and Strategy

"The honesty with which HR issues are addressed is the most remarkable feature of Balrampur. The Company was affected by a shortage of employee colonies and related infrastructure like community hall, gymnasium, dispensary and grocery store etc. in its various operating units. The management responded by sanctioning budgets for developing the colony infrastructure that were created with speed. The reason: employees are treated as family and we are committed to providing them with a good living environment."

P. Sandeep
Senior General Manager, Human resources

"Balrampur's distinctiveness lies in proactive investments in technologies. Previously, equipment data collection and analysis would be manual; it is now online, moderating breakdowns and enhancing daily maintenance effectiveness. Our Akbarpur unit is regarded as a health and safety model due to compliances and investments."

K.K Bajpai
Unit Head, Akbarpur

"I can tell by my watch that the CMD will connect four times a day. If he calls a fifth time, it will be to check whether I took my medicines on time (if working late). I had fever on Diwali and could not answer phone calls. Until 2 pm, my Managing Director called me 20 times (after which my wife answered). Immediately, medical assistance was arranged and a doctor from Belle Vue nursing home was sent home."

Vinay Khanna, Vice President, Business planning and operations

The best thing about being a part of Balrampur is team bonding, meticulous planning, excellent communication and transparency between all stakeholders. 24x7 availability & timely intervention of the senior management in areas of concern are enablers for the smooth and uninterrupted operations of our plants.

Praveen Gupta
Whole-time Director

"In February 2023, there was a challenge in the sugar mill; we informed the head of the corporate technical team. A spare part from Gularia was required in Kumbhi; the part was delivered in four hours and fitted in five hours. We live the culture of 'Stretch'."

Sunil Kumar Yadav
Unit Head, Kumbhi

"The Company provides working independence. I handled the budget for 15 years; I was never questioned; all sanctions were passed on time. Once the management believes in individual capability, it will empower and trust extensively."

Manish Purohit
Vice President, Cane operations

Case study

BCML: Transforming the safety culture

Before

Previously, employees used to enter the plant without safety jackets and shoes.

The Company's work permit system was not implemented properly due to time constraints to fulfill various permit criterias.

The Company's fire system was handled by the security department.

The Company did not have a proper machine guarding system, posing concern towards employee safety.

The Company's legacy firefighting systems were required to be upgraded.

The Company did not have any mechanism to provide safety training to employee families.

Minor deviation in machinery features were bypassed.

After

At present, all the employees are strictly mandated to enter the plant wearing the safety jackets, safety shoes and safety helmets with a proper chin stick.

The Company developed an integrated permit system, which included all kinds of permits along with the extension process implemented.

The Company appointed dedicated fire safety officers and fire men in all units, which brought a professional approach towards handling fire safety violations.

The Company achieved machine guarding and railing platforms with the electrical safety concept in all its units.

The Company spent ₹17.69 crore to install the state-of-the-art firefighting systems in Balrampur, Akbarpur, Babhnan and Maizapur.

The Company provided safety training to employee families residing at the colonies.

The Company safety personnel do not allow the bypassing of safety features in any of the equipment in its units.

Results

The Company's Akbarpur plant is regarded as model in the industry with regards to employee health and safety.

Our fire safety commitment

Overview

The Company produces ethanol in its five manufacturing units; ethanol is prone to fire and any minor leakage can result in disaster. The Company's sugar facilities such as conveyer belts in the bagasse area, boilers, drying house, sugar bagging area and electrical installations pose a risk of fire safety. Fire safety can also be violated by people smoking in and around the facility.

The Company has undertaken strong fire protection programmes by providing robust fire detection systems, sprinklers, fire extrusion and fire hydrant system. The Company has not suffered any fire related mishap in the last three years.

Fire safety initiatives

- The Company provided dedicated firefighting systems in each units along with detection systems and sprinklers
- The Company provided an auto foam cleaning system in the ethanol area to eliminate the chances of disaster.
- The Company is working to provide the sprinkler system in transformers as any leakage in the transformer can create an explosion.
- The Company restricted the keeping of loose material on the shopfloor to avoid metal-to-metal contacts that could generate a spark.
- The Company appointed dedicated fire safety officers and fire men to develop a professional approach towards firefighting.
- The Company improved and increased the frequency of inspection to ensure prompt detection of leakages.
- The Company completed the fire training of all employees in the electrical, distillation process, boiler, turbine area and bagasse area across all its manufacturing units.
- The Company appointed a third party consultant for obtaining consultation services related to safety risk assessment and audits.

Fire safety investments

- The Company introduced automated multi-stage fire pumps in its new distillery at Maizapur, Balrampur and Gularia.
- The Company introduced auto operations of the sprinkler and foam spray system of the tanks along with transformers.
- The Company invested in the lead detection system in its distilleries to ensure immediate identification and prevention of leakages.
- The Company installed jumper wires to provide static electricity.
- Around 52% of the safety budget was dedicated towards fire safety during FY22-23.

Balrampur and Intellectual Capital

Highlights

Balram App, a proprietary cane management software, enhanced the role of informed decision making.

Process waste was converted into value-added products: Pressmud to farm manure; CBG, Bagasse and Slop converted to power; boiler ash was converted to farm manure

Trademarks were registered under different classes.

Introduction

At Balrampur, innovation represents the core of our operations. By embedding sustainability as a business imperative, the Company seeks to be perpetually future-ready. The Company accelerated the adoption of digitalisation to drive efficiency. The Company aspires for sectorial leadership through the interplay of proactive investments in research, technology, infrastructure and innovation. The material issues addressed comprised: Product and service quality as well as technology, product and process innovation, digitalised services to vendors and the need for a circular business.

Balrampur and digitalisation

India's sugar industry has been marked by conventional practices, comprising the management of manual operations and conventional data management. Balrampur was among India's first sugar companies to recognise the power of digitalisation. This digitalisation was warranted by acquisitions that made it imperative to get all units on a common operational page. The result is that starting nearly a decade ago, the Company took proactive measures to centralize data around common platforms for timely analysis and decision making; it was among the first in India's sugar industry to create proprietary cane management software, bringing a structure and method to a complex subject. Balrampur digitalized two focus areas (cane and operations), developing complex applications in farmer data collection leading to informed decision making.

What we were: Data collection and compilation were addressed manually, leading to delays and under-informed decision-making

What we have become: Digitised cane management has empowered the Company to accelerate the role of informed decision making.

Challenges and counter-initiatives

The Company's Balram app comprised a complex structure that proved difficult for farmers to negotiate initially.

The Company revamped the Balram app architecture, making it simpler and functional. The restructured app is now informative and linear, supportive and convenient for farmers.

Competitive strengths

Best-in-class: The Company works with the most advanced accounting software in the sector.

First-mover: The Company was among the first within the country's sugar sector to implement SAP-HANA

Advanced data collection: The Company possesses a rich data cane management data bank, extending beyond the routine

Cost-efficient: The Company executes technology upgrades with speed and in a cost-effective manner, enhancing operational seamlessness.

Digitalised: A large part of the Company's operations have been digitalized, enhancing information access and facilitating simulations for an informed business understanding

Highlights, FY 22-23

- The Company created an equipment hierarchy for the first time (Akbarpur unit).
- The Company created an improved Balram app that was simple to use.
- The Company launched an in-house monitoring application to evaluate parameters (cane procurement from farmers) in real-time and in-transit cane facilitate planning.

Outlook

The Company is engaged in the revamp of its cane management software, creating a web-based platform expected to be operational for the 2023-24 sugar season. The Company intends to create an equipment hierarchy across units in the foreseeable future, strengthening maintenance. The Company plans a unit-wise daily monitoring report for the senior management. The Company intends to create an online platform for annual and additional budget approvals to facilitate a timely comparative analysis leading to speedy corrections in deviations from the status quo.

Case study

An upgraded Balram app

Backdrop: The Balram app was launched in FY 21-22. The objective of the app was to obtain rich data from farmers. The app was downloaded by a tenth of the total farmers who worked with the Company - and seldom used.

Challenges: The farmers considered the app to be complex; they were also hazy about the benefits that would accrue to them.

Initiatives: The Company upgraded the app with features through proprietary capabilities. The app offered critical information to farmers, enhancing awareness of sectorial and corporate ground realities. One, the Company provides farmers information related to the expiry of cane supply tickets in real-time. Two, the app provides farmers with SMS alerts on important notifications. Three, the app makes it possible for farmers to ask questions of the Company's cane development team.

Results: The Company achieved better and faster results by connecting to every farmer across its command areas. The Company intends to launch Balram app 2.0 to enhance information inflow from farmers.

Balrampur's cane monitoring application, FY 22-23

The application makes it possible to ascertain the precise cane quantum being weighed at the cane centre that would soon be delivered to the factory

The application highlights the in-transit and yard level cane quantum availability

The application ascertains the quantum of cane being crushed each day across each plant

The application provides a perspective of cane availability, prompting real-time responsiveness

Balrampur and Social & Relationship Capital

Big numbers

12 lakhs+
lives touched through CSR initiatives

100%
Customer Satisfaction Index

Introduction

The Company invested in a range of long-term relationships based on mutual trust, respect and benefits. The breadth and depth of these relationships with various stakeholders represents the Company's biggest hedge against business and economic cycles. The material issues addressed comprised the following: Greater stakeholder engagement; deeper community development

Stakeholder engagement

Communities: Contribution to society through engagements with civil society; investment in social and economic development

Customers: Effective products and solutions addressing consumer requirements

Regulators: Compliance with all applicable rules and regulations

Investors: Rewarding investors through timely dividends and buyback

Suppliers: Timely procurement and payment

Governments: Contribution to governments through taxes and employment generation

Media: Transparent information sharing with the media

Balrampur's community development engagement

Balrampur's CSR vision is to contribute towards bringing social and economic change to the underprivileged sections of society in an equitable and sustainable manner and contribute towards livelihood enhancement initiatives for the weaker sections of society. In doing so, we believe that we are contributing to develop the quality of human life and making a better India.

BCML has enriched community lives through sustainable livelihoods, education, healthcare, sanitation, and rural infrastructure development in Uttar Pradesh (where its manufacturing facilities are located).

The Company collaborates with the governments, district authorities, village panchayats, NGOs and other likeminded stakeholders that widen its reach and help to leverage collective expertise, wisdom and experience that these partnerships bring to CSR activities.

The bulk of the CSR activities in Uttar Pradesh was conducted through Balrampur Foundation to fulfil the Company's aspirations to make rural Indian lives productive. The Company also partnered organisations of repute to achieve its CSR objective.

During the year under review, the Company was awarded with National level Awards for its impactful CSR activities. The CSR Excellence Award was awarded by the ICSI and Golden Peacock CSR Award by the Institute of Directors.

Empowered women for opening silai training centres in nearby villages

Provided healthcare support by installing health ATM in hospitals

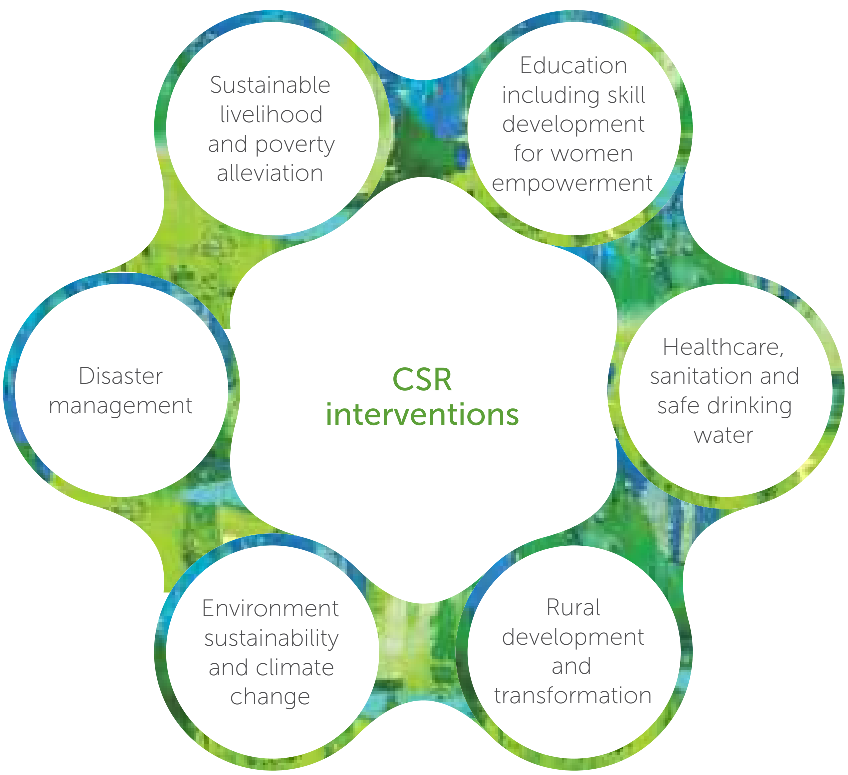
CSR committee

The Board of Directors of the Company constituted a CSR committee, which formulates policies, approach and guiding principles for selection, implementation and monitoring of CSR activities to be undertaken by the Company. Based on the same, standard operating procedures were prepared by the Company for the effective implementation of CSR projects.

The Committee is chaired by Mr. Naresh Dayal who is the Ex-Secretary for the Health Ministry of Government of India.

CSR spending

Year	₹ lakhs
FY 23	1194.74
FY 22	1119.67
FY 21	1067.55
Total of last 3 years	3381.96



Key CSR programmes

Healthcare: The Company promoted health care (including preventive health care), sanitation and increased the availability of safe drinking water through water, sanitation & hygiene projects, clean city projects and health care projects.

Education: The Company promoted education (including special education) and employment enhancing vocation skills especially among community members through livelihood enhancement projects.

Sports: The Company conducted various sports training programmes to promote rural sports, nationally recognised sports and Olympic sports.

Rural development: The Company undertook extensive rural development projects to widen the circle of prosperity across rural communities.

Big numbers*

Health and well-being

3
Ante-natal care centres renovated

10+
Government healthcare facilities supported

65000+
Patients benefitted

Environment

184354
Trees planted

Sustainable livelihood and empowerment

~52.5%
Increase in farmer incomes

6500+
Farm equipment distributed

Community development

372
Communities reached

35+
Ponds cleaned, renovated and recharged

750+
Installed solar street lights

12 lakhs,
individuals benefitted

Education

15+
Schools covered for infrastructure support

5+
Schools where science labs were introduced

50,000+
Students impacted

*As per Impact Assessment Report 2023

How we have transformed the lives of our beneficiaries

Case study #1

Laxmi Devi, a resident of Charoo village (Gonda district, Uttar Pradesh) transformed her life following her engagement with Usha Silai School, facilitated by Balrampur Foundation's Project. She acquired tailoring skills, which equipped her with expertise, income and family well-being. Laxmi Devi has since emerged as a symbol of empowerment and respect.

Case study #2

Poonam, a resident of Sangwa village in Chapia (Gonda district), was selected to establish and manage the USHA Silai Center in her village. After completing a comprehensive training program, she received an Usha sewing machine, signage, syllabus book, service manual, school register and sewing kit. This empowered her to train dozens of girls and women. She is now an influential role model for women who aspire to achieve financial independence.

Case study #3

Ramlal Singh, a struggling farmer, found hope in BCML Foundation's agricultural project. Balrampur Foundation helped him access modern techniques like precision irrigation and organic fertilization. Ramlal improved the quality of his crops, enhanced his surplus and provides a better life for his family.

Balrampur's Governance Commitment

At BCML, we seek to engage with our stakeholders around an element of trust. The manner in which we do business has been articulated to all stakeholders. This has created an expectation of dependability, the basis of our governance. In turn, this has attracted stakeholders who believe in doing business our way. Our corporate governance framework showcases the highest level of ethics, integrity, risk consciousness and regulatory compliance. The Company put in place decision-making and monitoring processes to uphold best-in-class governance standards, resulting in authority, accountability and independence.

We believe in controlled growth, balancing caution and aggression. We seek to be under-borrowed.

We place a premium on our Board composition, comprising professionals of standing. We build the business around a long-term commitment. We position ourselves not as much as a standalone sugar company but as an energy organization. We invest in digital tools to enhance control and data access, resulting in informed decision-making.

Core principles of corporate governance

- Accountability
- Transparency
- Environment and regulatory compliances
- Integrity
- Social responsibility

Board of Directors

Composition of the Board

7 Directors

4 Independent Directors

2 Executive Directors

2 Women Directors on the Board

Board seniority

14% 10 years or more

43% 5-9 years

43% less than 5 years

Board committees

- Audit Committee
- Nomination and Remuneration Committee (NRC)
- Stakeholders Relationship Committee (SRC)
- Risk Management Committee (RMC)
- Corporate Social Responsibility Committee (CSR)
- Environmental, Social & Governance Committee (ESG)
- Executive Committee

Committees chaired by Independent Directors

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee

Skill sets of Directors

Technical skills/experience

- Accounting and Finance
- Information Technology
- Statutory Compliance
- Risk Management
- Business Planning and Strategy
- Auditing
- Human Resource Management
- Engineering and Technology
- Corporate Affairs
- Agri Research & Development

Industry knowledge/experience

- Industry experience
- Industry knowledge
- Understanding relevant laws, rules, regulation and policy
- Economics

Behavioural competencies

- Interpersonal relationships
- Leadership

Overview

- Majority of Directors are Independent Directors
- All Independent Directors are appointed initially for five years and if recommended by NRC, then the Board appoints for an additional five years subject to the approval of shareholders

Directors' experience

Number of collective years of working experience brought to the Board by all the Directors

FY 21	FY22	FY23
264	244	246

Number of collective years of Director-level experience brought to the Board by all the Directors

FY 21	FY22	FY23
150	130	97.5

Number of collective years of Director-level experience within the Company brought to the Board by all the Directors

FY 21	FY22	FY23
72	74	65

Independent and Women Directors on Board

As on 31 March, 2021	As on 31 March, 2022	As on 31 March, 2023
5 of 8 Directors were Independent i.e. 63%	4 of 7 Directors were Independent i.e. 57%	4 of 7 Directors are Independent i.e. 57%
2 women of 8 Directors were Independent i.e. 25%	2 women directors of 7 directors were Independent i.e. 29%	2 women directors of 7 Directors are Independent i.e. 29%

Directors' profile

Mr. Vivek Saraogi

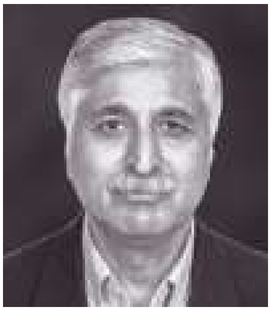
Chairman and Managing Director

Mr. Vivek Saraogi, an eminent industrialist, is a veteran in the sugar industry and has been one of the youngest presidents of the Indian Sugar Mills Association. He has also served as the Chairman of Indian Sugar Exim Corporation Limited and is a former committee member of FICCI & the Indian Chamber of Commerce in Kolkata. Under his stewardship and able leadership, the Company has grown leaps and bounds through organic and inorganic means, enabling BCML to emerge as a leader in the Indian sugar industry. Mr. Saraogi is a commerce graduate from St. Xavier's College.

Mr. Dinesh Kumar Mittal

Lead Independent Director

Mr. D.K. Mittal has done M.Sc. (Physics) with a specialization in electronics from the University of Allahabad. He is a former Gold Medalist IAS officer from the batch of 1977 (U.P. cadre) and served the Government of India in various capacities. Mr. Mittal was the Secretary, Department of Financial Services, where he worked closely with the RBI and was on the Board of the RBI, LIC, State Bank of India, IIFCL and IIFCL (UK). Previously as Secretary, Ministry of Corporate Affairs, he worked closely with ICAI, ICSI and ICWAI. As an Additional Secretary, Department of Commerce, Mr. Mittal was the Chief Negotiator of India for WTO negotiation. He also served in various capacities in Uttar Pradesh Government like Director General of UP Academy of Administration and State Institute for Rural Development, Managing Director of Uttar Pradesh Land Development Corporation and Vice Chairman of the Ghaziabad Development Authority.



Mr. Naresh Dayal

Non Executive Non Independent Director

Mr. Naresh Dayal holds a Masters degree in Arts from University of Delhi and in Professional Studies, Agriculture from University of Cornell, USA. He is a former IAS officer who has worked with the Government of India for 37 years in various positions at the state and national levels. As Secretary to the Hon'ble Ministry of Health and Family Welfare, Mr. Dayal was responsible, among other things, for all policies and programmes in the realms of Public Health, supervising the National Health Authorities, assessing and devising policies for the country's manpower requirements in health.

Mr. Krishnava Dutt

Independent Director

Mr. Krishnava Dutt is a Law graduate and is currently the Managing Partner of Argus Partners. Earlier he was associated with Amarchand Mangaldas, a reputed law firm from where he retired as a Partner in the year 2009. Forbes India in its Legal Powerlist 2020 recognised Mr. Dutt as one of the Top 50 Managing Partners and as one of the Top 100 Individual Lawyers for Insolvency & Bankruptcy and Mergers & Acquisitions. 'ALB India 2020 Super 50 Lawyers' list specializes Mr. Krishnava Dutt as one of the top 50 private practitioners in India. Mr. Dutt has been specializes as 'Highly Regarded' in M&A by IFLR1000 2020 Rankings. He has been identified by India Business Law Journal as one of India's top 100 lawyers and is mentioned amongst the India A-List lawyers of 2020, 2019, 2018 and 2017.

Ms. Veena Hingarh

Independent Director

Prof. Veena Hingarh is the Director in South- Asian Management Technologies FZC, Dubai and South Asian Management Technologies Foundation, a National State Board of Accountancy (USA) accredited institution focused on research, training, and strategic consulting services in the area of finance, IT, and risk management. She has over 20 years of result-oriented consultancy and corporate training experience. Her areas of specialization are Information System Audit, Risk Management, and International Financial Reporting Standards. She is a member of the Financial Reporting Review Board, ICAI. Prof. Hingarh is a FCA (ICAI), ACA (ICEAW), Company Secretary, Certified Information System Auditor and Masters in Science.

Ms. Mamta Binani

Independent Director

Ms. Mamta Binani has more than two decades of rich experience in Corporate Consultation & Advisory, Insolvency laws, Due Diligence, Secretarial & Legal functions. She was the President of the Institute of Company Secretaries of India (ICSI) for the year 2016 and was only the second lady President of ICSI in the illustrious history of the Institute. She is the Vice President of the Kolkata National Company Law Tribunal Bar Association, the Chairperson of the Merchant Chamber of Commerce-Legal Affairs Council and is the Co-Chair of the Restructuring Committee on Stressed Assets of Indian Chamber of Commerce.

She has been bestowed with various medals, certificates and awards including the prestigious D.L. Mazumdar's Silver Medal, Tejaswini Award, Mauji Ram Memorial Award, Bharat Nirman Awards etc. Ms. Binani is a Commerce Graduate, Law Graduate and a Fellow Member of the Institute of Company Secretaries of India. She is also the first registered Insolvency Professional in the country.

Mr. Praveen Gupta

Whole time Director

With over 40 years of work experience of nearly 15 years have been spent with Balrampur Chini Mills Limited (BCML), Mr. Praveen has spearheaded operations, expansion and new technologies implementation in leadership roles. He has led consensus- driven growth across categories and organizations and has been essaying a chief role in the migration of BCML towards value-accretive segments. He leads CTT to build technical excellence around engineering process functions that may drive accountability with a focus on standardization, streamlining of operations, and maintenance processes including ESG aspects, across all manufacturing units,

He earned his MBA from IIM, Kolkata in 1984 after completing his Mechanical Engineering from the Delhi College of Engineering, Delhi. He is an alumnus of the Birla Public School, Pilani.

Board Committees

Committee member	Category	Date of appointment
Audit committee		
Mr. Dinesh Kumar Mittal	Non-Executive - Independent Director, Chairperson	06-02-2014
Mr. Krishnava Dutt	Non-Executive - Independent Director, Member	06-02-2015
Mr. Naresh Dayal	Non-Executive - Non Independent Director, Member	04-12-2019
Ms. Mamta Binani	Non-Executive - Independent Director, Member	05-11-2020
Nomination and remuneration committee		
Mr. Dinesh Kumar Mittal	Non-Executive - Independent Director, Chairperson	06-02-2014
Mr. Naresh Dayal	Non-Executive - Non Independent Director, Member	04-12-2019
Ms. Veena Hingarh	Non-Executive - Independent Director, Member	14-10-2020
Stakeholders' relationship committee		
Mr. Krishnava Dutt	Non-Executive - Independent Director, Chairperson	06-02-2014
Mr. Vivek Saraogi	Chairman and Managing Director	19-01-2001
Ms. Veena Hingarh	Non-Executive - Independent Director, Member	04-12-2019
Risk management committee		
Mr. Dinesh Kumar Mittal	Non-Executive - Independent Director, Chairperson	01-04-2019
Mr. Krishnava Dutt	Non-Executive - Independent Director, Member	01-04-2019
Mr. Naresh Dayal	Non-Executive - Non Independent Director, Member	04-12-2019
Ms. Veena Hingarh	Non-Executive - Independent Director, Member	05-11-2020
Corporate social responsibility committee		
Mr. Naresh Dayal	Non-Executive - Non Independent Director, Chairperson	01-08-2017
Mr. Vivek Saraogi	Executive Director, Member	06-02-2014
Ms. Veena Hingarh	Non-Executive - Independent Director, Member	03-02-2021
Environmental Social & Governance committee		
Mr. Vivek Saraogi	Chairman and Managing Director	01-07-2022
Mr. Dinesh Kumar Mittal	Non-Executive - Independent Director	01-07-2022
Ms. Veena Hingarh	Non-Executive - Independent Director	01-07-2022
Mr. Praveen Gupta	Whole Time Director	01-07-2022
Executive committee		
Ms. Mamta Binani	Non-Executive - Independent Director	05-11-2020
Mr. Vivek Saraogi	Chairman and Managing Director	03-11-2015
Mr. Praveen Gupta	Whole Time Director	04-08-2022

Our ESG Framework

Environmental

Our environment approach has been woven around the elements of Plan- Mitigate-Adapt-Resilience.

Resilience towards climate change – A commitment to...

- Reduce energy intensity.
- Reduce greenhouse gas emissions.
- Protection of bio-diversity.
- Moderate carbon footprint intensity in our operations.

Achieved zero liquid discharge target in all our distilleries and are now targeting zero water drawal in sugar units.

Adoption of 4R's

- Recycling
- Replacement (Restoration)
- Reduction
- Renewables

Social

Our Company takes a holistic approach to sustainable value creation for all its stakeholders by nurturing its long-standing relationships and building new ones

Employees, vendors and customer focus

Large workforce with passionate & experienced working culture.

Investment in training and digitalisation to enhance efficiency.

Employee health & wellness and safety focus.

Deepened relationship with vendors as well as primary customers.

Community engagement

Engaging with the community around its manufacturing locations with the objective to widen the circle of prosperity.

Governance

Our Governance policies are framed on the basis of transparency, accountability, fairness and ethical standards

Structure & oversight

- Majority of the Directors are Independent Directors
- Diversified Board with two Women Directors.
- Audit Committee and NRC comprising of all Non-Executive Directors.
- Independent Directors Chair Audit, NRC, Risk and Stakeholders Committees

Governance policies

- Code of Conduct
- Whistle Blower Policy
- Anti-Bribery Policy
- Environment Health and Safety (EHS) Policy
- Cyber Security and IT Policy
- Risk Management Policy
- CSR Policy
- Succession Policy
- Prevention of Sexual Harassment Policy
- Code of fair disclosure
- Code of Conduct for Insider Trading
- Related Party transactions Policy
- Materiality Policy
- Board Diversity Policy
- Dividend Distribution Policy
- Anti Bribery Policy
- Business Responsibility Policy
- Familiarization Policy

Our awards and recognitions

7th ICSI CSR Excellence Awards

Golden Peacock award for Corporate Social Responsibility

Lifetime Achievement Award to Late Smt Meenakshi Saraogi by the Uttar Pradesh government

Management discussion and analysis

Overview

The global economy grew at an estimated 3.4% in 2022 as against 6% in 2021. The moderated growth was triggered largely by the Russian war with Ukraine, inflation, pandemic-induced lockdown in China, prohibitive interest rates, global liquidity crunch and quantitative tightening by the US Federal Reserve.

Global inflation was 8.7% in 2022, among the highest in decades. Gross FDI inflows (equity, reinvested earnings and other capital) moderated by 8.4% to $55.3 billion in April-December 2022. Brent crude oil softened from USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the increased availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.4	6.1
Advanced economies	2.7	5
Emerging and developing economies	4.6	6.3

Performance of major economies

United States
Reported GDP growth of 2.1% compared to 5.9% in 2021

China
GDP growth is expected to contract from 8% in 2021 to 3% in 2022.

United Kingdom
GDP is expected to grow 4.1% in 2022 compared to 7.6% in 2021

Japan
Reported growth of 1.7% in 2022 compared to 1.6% in 2021

Germany
Reported GDP growth of 1.8% compared to 2.6% in 2021

Outlook

The global economy is expected to grow 2.8% in 2023, global inflation is projected to fall to 7% and interestingly, approximately 70% of the global economy demonstrates resilience. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.9% in 2024

Indian economy

Overview

India reported an economic growth of 7.2% in FY 2022-23, higher than what had been estimated. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation

Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23
Real GDP growth (%)	4.2	(7.3)	8.7	7.2

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (%)	13.1	6.3	4.4	6.1

India's exports (merchandise and services) in April-February 2022-23 grew by ~16% over the same period of the previous year. Steady domestic demand amidst global slowdown resulted in a ~20% growth in imports during April-February 2022-23 over the corresponding period of the previous year.

Till Q3, FY23, India's current account deficit reduced to $18.2 billion, or 2.2% of GDP from $22.2 billion (2.7% of GDP) a year ago. India's fiscal deficit was estimated in nominal terms at ~ ₹17.55 lakhs crore and 6.4% of GDP for the year ending March 31, 2023. India's headline foreign direct investment (FDI) increased from US$81.97 billion in 20-21 to a record $83.6 billion in 21-22, a 1.95% Y-o-Y increase due to 100% FDI approval via automatic route in sectors such as insurance, civil aviation, coal, telecom, pharma, infrastructure.

After three consecutive years of rise, India's foreign exchange reserves declined by around $ 70 billion in 2022 amid rising inflation and interest rates. The country's forex reserves, which stood at $606.47 billion on 1 April 2022, declined to $578.44 billion on March 31, 2023. India's currency weakened from ₹75.91 to a US dollar to ₹82.34 as on 31 March 2023 due to a stronger dollar and weaker current account deficit.

The country's retail inflation, measured by the consumer price index (CPI), slipped 16-month low to 5.66% in March 2023. Inflation data on the wholesale Price Index (which calculates the overall prices of goods before selling at retail prices) eased to 4.73% during the period. In 2022, CPI hit its highest of 7.79% in April 2022; WPI reached its highest of 15.88% in May 2022.

In 2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1% Y-o-Y in RE 2022-23.

For 2022–23, the government collected ₹16.61 lakhs crore in direct taxes, according to data from the Finance Ministry, around 17.6% higher than collections in the previous fiscal.

Per capita income almost doubled in nine years to ₹172,000 during the year under review, a rise of 15.8% over the previous year. India's GDP per capita was 2,320 USD (March 2023), close to the magic figure of $2500 when consumption spikes across countries.

Outlook: India is expected to grow 6.8% in FY2024, catalysed by 35% capital expenditure growth by the government.

Global sugar scenario

The global sugar market size reached 177.3 million tonnes in 2022 and is anticipated to reach ~196 million tonnes by 2028, exhibiting a growth rate (CAGR) of 1.64% during 2023-2028. Global production of sugar reached 177.3 million tonnes against 173.5 million tonnes in the previous season. Exports are projected higher as the drop in India is more than offset by higher exports from Brazil and Thailand.

During the year under review, the global sugar consumption was estimated at 175.7 million tonnes, as compared to 173.8 million tonnes in 2021- 22 on account of growth in markets like China, Indonesia and Russia. Stocks are estimated lower as growth in global consumption exceeds the rise in production.

Higher exports from Brazil and Thailand are expected to offset the decline in India. Stocks are expected to remain at a low level as growth in global consumption surpasses production growth.

This would lead to a global surplus of ~1.6 million tonnes as compared to deficit of ~0.3 million tonnes last year.

India sugar industry overview

Sugar production in India is expected to decline ~10.1% from the initial estimates of 36.5 million tonnes to 32.8 million tonnes, mainly on account of yield impact in Maharashtra and Karnataka. Sugar consumption is expected at 28.0 million tonnes in 2022-23 as compared to 27.4 million tonnes in the previous season. India's sugar inventory is expected to decrease from 7.0 million tonnes in 21-22 to 5.7 million tonnes in 22-23 after considering the sugar exports of 6.1 million tonnes and diversion of 4.0 million tonnes equivalent of sugar for ethanol production.

The domestic sugar prices remained stable with sufficient availability. Indian sugar millers received attractive realizations (₹37-41 per Kg for export compared to domestic realisations of ₹33-36 per Kg). The top three states (Uttar Pradesh, Maharashtra and Karnataka) contributed 85% of India's total sugar production.

Sugar production in Uttar Pradesh was expected to increase slightly to 10.5 million tonnes in the 2022-23 season compared to 10.2 million tonnes in the previous season.

Indian sugar Balance Sheet (million tonnes)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Opening stock as on 1st October	3.9	10.7	14.6	10.7	8.2	7.0
Production during the season	32.5	33.2	27.4	31.2	35.8	32.8
Imports	0.2	-	-	-	-	-
Total availability	36.6	43.9	42.0	41.9	44.0	39.8
Consumption/ sales	25.4	25.5	25.3	26.6	27.4	28.0
Exports	0.5	3.8	6.0	7.2	11.1	6.1
Closing stock as on 30th September	10.7	14.6	10.7	8.2	5.5	5.7
Stock to use ratio	42%	57%	42%	31%	20%	20%

Note: Opening inventory for sugar season 2022-23 has been recently re-stated by Government of India from 5.5 million tonnes to 7.0 million tonnes.

Sugar exports and imports

India is the second largest exporter of sugar in the world. Indian sugar exports touched an all-time high of around 11.1 million tonnes in the 2021-22 sugar season. The country is expected to export around 6.1 million tonnes of sugar in the 2022-23 sugar season. On 5th November, 2022, the sugar export policy of 2022-23 was announced which allowed exports of 60 lakhs tonnes of the sweetener on a quota-basis till 31st May, 2023.

Sugar exports (in million tonnes)

Sugar Season	Export
2018-19	3.8
2019-20	6.0
2020-21	7.2
2021-22	11.1
2022-23 (estimated)	6.1

Market dynamics

The government hiked the fair and remunerative price (FRP) of sugarcane for the 2022-23 sugar season by ₹15 per quintal to ₹305. For every 0.1% rise in recovery over 10.25%, a premium of ₹3.05 per quintal will have to be paid to the farmer, while for every 0.1% reduction in recovery below 10.25%, fair and remunerative price paid will be reduced by ₹3.05 per quintal. The government decided to fix a price of ₹282.12 per quintal in 2022-23 compared to ₹275.50 per quintal in 2021-22 in case of 9.5% recovery for the farmers who don't have very high yielding varieties.

FRP

Year	₹ per quintal
2018-19	275
2019-20	275
2020-21	285
2021-22	290
2022-23	305

Indian ethanol sector overview

India is the world's fifth largest producer of ethanol after the US, Brazil, European Union and China. Ethanol is largely used for blending with petrol. India is expected to save an estimated $ 4 billion annually due to the blending of petrol with 20% ethanol. This increased blending is expected to enhance the use of renewable energy in the world's third-biggest oil importer and consumer

Oil marketing companies announced a proposed allocation of around 512 crore litres at different OMCs location across the country. Sugar mills are expected to divert about 40 lakhs tonnes of sugar towards ethanol production. The government has increased the purchase price of ethanol across all categories by up to ₹~2 per litre for the 2022-23 Ethanol supply year. The purchase rate for ethanol produced from C-heavy molasses was increased to ₹49.41 per litre from ₹46.66 litre and for B-heavy molasses was increased to ₹60.73 per litre from ₹59.08 per litre.

India achieved the target of supplying petrol mixed with 10% ethanol ahead of schedule in June 2022. The country has advanced the target of making petrol with 20% ethanol by five years to 2025. Reduced greenhouse gas emissions of 27 lakhs tonnes and also led to farmers being paid in time.

Ethanol capacity requirement to achieve 20%

Year	Capacity requirement (in million litres)		
	Grain	Molasses	Total
2019-20	2580	4260	6840
2020-21	2600	4500	7100
2021-22	3000	5190	8190
2022-23	3500	6250	9750
2023-24	4500	7250	11750
2024-25	7000	7300	14300
2025-26	7400	7600	15000

(Source: Niti Ayog)

Co-generation

Sugar cane crushing generates bagasse, which is used in power co-generation. The prudent use of bagasse marked by reduced transmission and distribution losses, no carbon emissions, low fuel cost, fuel diversity and energy security represents a cleaner alternative energy source.

Government initiatives

The government announced the sugar export policy with the focus to ensure price stability in the sugar sector in the interest of domestic consumers. By restricting sugar exports, domestic prices will remain under control and no major inflationary trends will arise in the domestic market. The policy will also ensure the availability of sufficient sugarcane/ sugar/ molasses for ethanol production. By facilitating the diversion of sugar to ethanol production and export of surplus sugar as per availability, the government has taken care of about 5 crore sugarcane farmer families as well as 5 lakhs sugar mill workers along with a whole ecosystem of sugar sector, including ethanol distilleries, taking them to a new growth trajectory.

More than 3,600 lakhs tonnes of sugarcane is expected to be purchased by sugar mills in 22-23 for which the total remittance to the sugarcane farmers is expected to be more than ₹1,20,000 crore. The Government, through its pro-farmer measures, will ensure that sugarcane farmers get their dues on time. The industry cleared more than 90% cane dues in the 21-22 sugar season, which is higher than the earlier seasons.

Company overview

Balrampur Chini Mills Limited is among leading sugar mills in India. The Company is a comprehensive and integrated sugar producer with substantial interests in sugar, ethanol and power co-generation. Over the years, the contribution of non-sugar revenues in the total revenues of the Company enhanced, expanding the Company's profile and reinforcing its counter cyclicality.

The Company possesses ten manufacturing facilities across the East and Central Uttar Pradesh. The Company's operational capability resulted in its ability to generate more from less. As a result, the Company utilises optimal resources to generate superior performance, which is evident through improvements in recovery, operating efficiency, cost management, gearing, cash flows and operating margins, making the Company an eminent value-creator in the country's agriculture sector, thereby taking care of Purpose, People and Planet.

SWOT analysis of Indian sugar industry

Strengths

- Sugar cane is one of the most profitable cash crops in India
- India is poised as the largest producer and consumer of sugar globally
- The sugar industry reinforces downstream sectors and India's vast rural economy
- The Indian sugar industry is considered as the driver of local economy by the government
- The Indian sugar sector provides livelihood to around 50 million sugarcane farmers and offers direct employment to 5 lakhs workers.

Weakness

- Cane prices are relatively high compared to global standards
- Prevalence of outdated technology in many companies across the sector
- Economic instability of many mills

Opportunities

- India's per capita consumption is around 20 Kg of sugar per person against the global average of 23 Kgs
- Advanced farming practices can result in substantial cane yield and recovery growth
- Compulsory ethanol blending program of the government is fueling ethanol production
- Technological upgradations can result in greater by-product use

Threats

- Climate change has impacted cropping and yields
- Political agendas have repeatedly affected the sector
- The sector is highly dependent on monsoon
- Absence of required infrastructure makes cane farming reliant on climatic fluctuations.

Financial overview

Analysis of the profit and loss statement

Revenues

Revenues from operations stood at ₹4665.86 crore in FY22-23 as compared to ₹4846.03 crore in FY21-22, reflecting a decline of 3.7%.The revenue from distillery and other segment improved over the previous year except for the sugar business, wherein revenues declined due to lower sugar volume, which was partially offset by higher sugar realization. Other Income of the Company reported a 31.1% growth and accounted for a 1.3% share of the Company's total income, reflecting the Company's dependence on core business operations.

Expenses

Total expenses increased by 1.0% from ₹4,291.06 crore in 21-22 to ₹4,331.68 crore in 22-23. Raw material costs accounted for a 73.3% share of the Company's revenue from operations. Employee expenses accounted for a 7.8% share of the Company's revenues from operations and increased by 18.2% from ₹307.80 crore in 21-22 to ₹363.79 crore in 22-23. The increase in employee cost was due to the normal increase in salaries and towards a retrospective revision of wages by the Government of Uttar Pradesh relating to wage board employees.

Analysis of the Balance Sheet

Sources of funds

The capital employed in the Company increased 17.4% to ₹3561.74 crore as on 31 March, 2023 from ₹3,034.22 crore as on 31 March, 2022 owing to new distillery capacities and also to modernize its legacy sugar units. Return on capital employed, a measurement of returns derived from every rupee invested in the business, declined 817 basis points from 20.72% in 21-22 to 12.55% in 22-23. Full operational benefit of incremental capacity will start accruing from FY 23-24. In addition, profitability from existing operations were on the lower side.

The net worth of the Company increased by 4.3% from ₹2,705.16 crore as on 31 March, 2022 to ₹2822.43 crore as on 31 March, 2023 owing to a plough back of profits. The Company's equity share capital comprised 201749245 equity shares of ₹1 each.

Long-term debt of the Company increased to ₹617.05 crore as on 31 March, 2023 from ₹256.95 crore as on 31 March, 2022 owing to borrowings for funding the capex. The long-term debt-equity ratio of the Company stood at 0.21 in 22-23 compared to 0.09 in 21-22. The ratio is still at a very comfortable level.

Finance costs of the Company increased by 57.6% from ₹30.87 crore in 21-22 to ₹48.65 crore in 22-23 owing to higher borrowings for funding the capex and due to impact of interest rates hike, especially to fund working capital. The Company's gross debt (including working capital) / equity ratio was comfortable 0.65 at the close of 22-23 (0.44 at the close of 21-22).

Applications of funds

Fixed assets (net block) of the Company increased by 42.7% from ₹1,837.95 crore as on 31 March, 2022 to ₹2622.88 crore as on 31 March, 2023 owing to an increase in capex during the year. Depreciation on assets increased by 13.7% from ₹113.86 crore in 21-22 to ₹129.50 crore in 22-23 owing to an increase in fixed assets during the year under review.

Investments

Non-current investments of the Company increased from ₹157.50 crore as on 31 March, 2022 to ₹175.00 crore as on 31 March, 2023 owing to investment in an associate of the Company viz. Auxilo Finserve Pvt. Ltd..

Working capital management

Current assets of the Company increased by 8.5% from ₹2,376.52 crore as on 31 March, 2022 to ₹2,577.74 crore as on 31 March, 2023 primarily owing to higher inventory. The current and quick ratios of the Company stood at 1.31 and 0.13, respectively at the close of 22-23 compared to 1.60 and 0.12, respectively at the close of 21-22.

Inventories including raw materials, work-in-progress and finished goods among others increased by 5.4% from ₹2,200.51 crore as on 31 March, 2022 to ₹2,318.68 crore as on 31 March, 2023. The inventory turnover ratio stood at 2.06 in 22-23 as compared to 2.12 in 21-22.

In line with decline in revenues, trade receivables declined by 8.7% from ₹136.72 crore as on 31 March, 2022 to ₹124.82 crore as on 31 March, 2023. Trade receivables turnover ratio stood at 37.38 as on 31 March, 2023 as compared to 35.44 as on 31 March, 2022.

Margins

Cost absorption impact due to lower revenues impacted margins during the year. The EBITDA margin of the Company reduced by 346 basis points from 14.44% in 21-22 to 10.98% while the net profit margin of the Company reduced by 471 basis points to 5.91% compared to 10.62% in 21-22.

Key ratios

Particulars	22-23	21-22
Operating profit margin (%)	10.98	14.44
Net profit margin (%)	5.91	10.62
Debt-equity ratio	0.21	0.09
Return on equity (%)	9.78	19.34
Return on capital employed (%)	12.55	20.72
Book value per share (₹)	142.53	135.18
Earnings per share (₹)	13.51	24.86
Debtors turnover ratio	37.38	35.44
Inventory turnover ratio	2.06	2.12
Interest coverage ratio	10.53	22.67
Current ratio	1.31	1.60
Debt service coverage ratio	1.93	4.52
Return on networth	9.97	19.73

Internal control systems and their adequacy

The Company's internal audit system is being continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the independent internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Human resources

The Company believes that the quality of the employees is the key to its success and is committed to equip them with skills, enabling them to seamlessly evolve with ongoing technological advancements. During the year, the Company organised training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, safety, values and code of conduct. The Company's employee strength stood at 6270 as on 31 March, 2023.

Balrampur's risk management approach

Overview

The Company constantly strengthens its overall system to ensure prompt identification of risks, evaluate their applicability and undertake steps to reduce their chances and losses. Risk management is applicable across all management levels and operational areas. Risk management roles are assigned across the Board of Directors, Risk management Committee and Audit Committee of the Board of Directors.

Over the years, the Company initiated a systematic risk management approach. This encompasses the formulation of Risk Management Committees at unit and corporate level to evaluate numerous changes periodically in the external and internal environment and suggest proportionate counter-measures. In line with this, the Company's Risk Management Framework is periodically evaluated and adjusted as and when required. Accordingly, during the year under review, the Board has amended the Risk Management Framework and Policy as per COSO Framework. At our Company, we enlarged our perception of risks from the strategic and the macro to the micro – right down to the transaction level. In doing so, the Company has extended understanding from the Board to the individual employee level, reinforcing preparedness and mitigation.

Functions

The Risk Management Committee undertook the following measures:

- Overseeing, guiding, assessing and recognizing current and emerging risks
- Evaluating risk evaluation and measurement mechanisms
- Developing policies, practices and other control systems to manage risks
- Reporting results of risk to the Board
- Assessing and recognizing risk in other evolving areas

Implementation

During the period under review, the Risk Management Committee held two meetings. The Company's Board approved Risk Management Policy included material risks faced by the Company that were recognised and evaluated. The Company established a policy framework for ascertaining a superior management of its asset and liability profiles.

Risk management structure

- Definition and description of risk elements (including sources, events, causes, and implications)
- Analysing risk, implications and forms of impact on the achievement of goals
- Developing, implementing and following up to achieve goals and aligning the risk management system to desired risk appetite levels
- Supervising the identification, assessment, implementation and follow up of risk management activities.
- Structured half-yearly reporting for the units and corporate level were introduced at the Risk Management Committee.

Risk mitigation initiatives

Strategic and business risks

Risk: The Company's existing cane varieties may fatigue and become vulnerable to disease.	**De-risking**: The Company embarked on an initiative to broad-base its cane varietal mix away from C0238 variety. The objective will be to ensure that no cane variety in its command area accounts for more than a quarter of its standing cane mix. The Company intends to incentivise the use of mechanization with the objective to enhance farm productivity.
Risk: The Company's command areas may be affected by climate change and pests	**De-risking**: The Company is developing an understanding on pest action, movement, intensity, frequency and extent. The Company intends to propagate the use of seeds from its tissue culture laboratories that could translate into the aggressive planting of new and disease-free cane across varieties. The Company will deepen engagements with cane research institutes. The Company is promoting varieties based on the type of land (upland/lowland) and focusing on better farm practices that would reduce yield loss due to unfavourable weather conditions.
Risk: The Company's command areas may be completely saturated by cane growth	**De-risking**: The Company believes there is headroom for additional cane growth through intensive planting, which should generate additional cane from the existing command area.
Risk: The farmers within the command areas may shift to alternative crops	**De-risking**: The Company will continue to pay for cane before this becomes statutorily due, enhancing farmer liquidity. Cane growing is more remunerative than competing cash crops. Sugarcane can withstand natural vagaries, an advantage in selecting to produce more cane.
Risk: The farms within the Company's command areas may report a fertility decline	**De-risking**: The Company advises farmers on the rotation of crop planting across different pockets of their farms, increasing yields and fertility. Besides, the Company provides farmers with subsidised press mud, enhancing organic carbon in the soil. The Company propagates trash mulching so that farmers do not burn their fields and that left-over leaves are decomposed into land, enhancing organic carbon.

Risk: Excessive, inadequate or ill-timed rain and diseases could hamper cane availability, quality and recovery.	**De-risking**: The Company will implement better agricultural practices by providing agri-inputs as well as supporting cane development activities, reducing the impact of a weak monsoon, preventing pest attack and improving yields. The Company will continue to engage with farmers for cane variety development. It commissioned a tissue culture lab for early and different cane varieties. The cane development team of the Company actively evaluates the planting/growth of sugarcane and disease infestation programme to avoid or minimise damage.
Risk: Diminished product off-take could hamper business sustainability	**De-risking**: The Company has built a strong by-product, ethanol and power business to reduce cyclicality. The fully integrated business models utilise by-products and insulate the Company from flat sugar realisations. The Government's accommodative policy on managing the demand/supply of sugar, reducing the adverse impact of low sugar realizations. Minimum Support Price for sugar fixed by the Government insulates the industry against this risk. Sugar is used not only as a sweetener but also as a preservative, making it integral to the growth of the FMCG foods sector.
Risk: Growing cane prices could impact profitability	**De-risking**: Industry associations are continuously engaging with both the Central and State governments to ensure a rational and win-win pricing policy for both industry and farmer.
Risk: Business disruptions due to pandemic could result in a financial loss	**De-risking**: The sugar industry body engaged with respective State governments to normalise supply side disruptions following the pandemic. The IT function of the Company maintains and upgrades systems on a continuous basis with trained personnel for taking care of disruptions.
Risk: Ineffective processes can result in cost outreach	**De-risking**: Regular plant and machinery investments increased efficiency. The Company periodically replaced equipment; upskilling was conducted; capital expenditure was allocated for sustained improvement.
Risk: The Company's operations can be hampered due to changes in the regulatory environment	**De-risking**: The Company invested in plant and machinery for environment protection to reduce pollutants/GHG emissions. The Company recycled and reused process water to reduce freshwater drawal. The Company maintained zero tolerance level for violations. The Company adopted a strong review mechanism to take care of potential lapses.

Risk	De-risking
Risk: Cyber Security and IT risk could lead to financial loss, disruption or damage to the reputation of the Company from failure of its information technology systems	**De-risking**: Balrampur Chini was one of the first sugar companies in India to migrate to SAP HANA S4. The Company developed IT-driven disaster recovery system to ascertain uninterrupted business functioning. The Company ensured data security by having identity, access control and authorization matrix. All critical business data (user and application data) was backed up to ensure information security. The Company's IT gateways as well as end points are secured using the best products to mitigate network and web security risks. Disaster recovery has helped ensure business continuity.
Risk: Changes in government policies might hamper the business operations of the Company	**De-risking**: The Government's intervention in the last couple of years has been positive. Favourable government policy on ethanol blending has helped insulate the Company against adverse sugar realizations, excess sugar production and inventory. The Company reduced its dependence on the sugar segment by strengthening ethanol production capacity to absorb surplus sugar output. The Government advanced the E20 program from 2030 to 2025, which will ensure consistency in policies. The Company allocated capex for catering to additional ethanol demand. The Company established a multi-feed plant to take advantage of ethanol demand.
Risk: Inability to complete projects on time might hamper the Company's future targets	**De-risking**: The Company completed the construction of Maizapur distillery and modernization of its sugar plants on schedule. There was a slight delay in the expansion of the distillery at Balrampur owing to weather-related issues and late supplies. Day-to-day monitoring and supervision by the management and external consultants helped the projects stay on track.
Risk: Uncertain social or environmental conditions could impact the Company's operations.	**De-risking**: The Company made significant technological investments in multiple areas to moderate carbon footprint, waste management, energy conservation, sustainable raw material cultivation and effluent treatment plant, among others.
Risk: Lack of efficiency and effectiveness in internal controls could affect organizational objectives.	**De-risking**: The Company prepared standard operating protocols for different functions, which were rigorously monitored. Standard operating protocols were periodically reviewed by the internal audit and external auditor teams. A dialogue between statutory and internal auditors ensured systemic effectiveness

Cautionary statement

The statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. This Management Discussion and Analysis Report is to be read with the disclosures provided in the initial section of the Annual Report and with the Boards' Report.

GRI content index

Statement of use

Balrampur Chini Mills Limited has reported in accordance with the GRI Standards for the period 01 April 2022 to 31 March 2023.

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ASSURANCE STATEMENT

Independent Assurance Statement on sustainability disclosures in the Integrated Annual Report for FY 23

The Board of Directors
Balrampur Chini Mills Limited
Kolkata, India

NATURE OF THE ASSURANCE/ VERIFICATION

Balrampur Chini Mills Limited has prepared an Integrated Annual Report (the Report) FY 2023 based on the principles of the Integrated Reporting (<IR>) framework developed by the International Integrated Reporting Council (IIRC) and Global Reporting Initiative Standards. Its Business Responsibility and Sustainability Report (BRSR), included in the report has been developed based on SEBI's BRSR framework. SGS India Private Limited (hereinafter referred to as SGS India) was commissioned by Balrampur Chini Mills Limited (hereinafter referred to as Organisation) to conduct an independent assurance (limited) of its sustainability disclosures in the report in accordance with the SGS ESG & Sustainability Report Assurance Protocols for the period of 1st April 2022 to 31st March 2023. This assurance engagement was conducted at a "Limited Level".

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all Balrampur Chini Mills Limited's Stakeholders.

RESPONSIBILITIES

The information in the report and its presentation are the responsibility of the directors or governing body and the management of Balrampur Chini Mills Limited. SGS India has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs, and statements within the scope of verification with the intention to inform all Balrampur Chini Mills Limited's stakeholders. Balrampur Chini Mills Limited is responsible for the preparation and fair representation of the scope of the assurance.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance Protocols used to conduct assurance are based upon internationally recognised assurance guidance and standards including the Principles contained within the Global Reporting Initiative (GRI) Reporting Standards for report quality, reliability and accuracy and the guidance on levels of assurance contained within the ISAE3000. We applied a limited level of assurance.

SCOPE OF ASSURANCE

SGS India was engaged with Balrampur Chini Mills Limited for limited assurance of sustainability data and claims in the BRSR report, encompassing the period of 1st April 2022 to 31st March 2023. The scope of the assurance included evaluation of quality, accuracy, and reliability of specified sustainability performance information disclosed in the BRSR.

SPECIFIED PERFORMANCE INFORMATION AND DISCLOSURES INCLUDED IN SCOPE

SGS India verified the following sustainability parameters disclosed in the BRSR:

- Energy (P6.E1, L1)
- Water (P6.E3)
- Emissions (P6.E6)
- Waste (P6.E8)
- Training (P3.E8)
- Health and Safety (P3.E11)
- General Disclosure (18,19)

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with the managers, and professionals engaged in the process of developing the Integrated Report and BRSR, on site visits (Gularia, Haidergarh), virtual inspection of data, verification and confirmation of vouchers and bills, review of related materials and records and analytical procedures to calculate the sustainability impact. Specifically, SGS India executed following activities:

- Interviewing managers and professionals responsible for data collection, analysis, and collation

- Review the data management system used for collection and consolidation of sustainability data

- Review of consistency of data/information within the report and between the report and source.

- Verification of environmental and social performance data, on sample basis, including a conversion factors and emissions factors and calculation, based on our professional judgement

- Evaluation of the appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report.

LIMITATIONS AND MITIGATION

- Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

- The assurance scope excludes the verification of data and information outside the defined reporting period (1st April 2022 to 31st March 2023)

- The assurance scope excludes the Organisation's statements and claims related to any topic other than those listed in the 'Scope of Assurance and Methodology'.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social, and ethical auditing, and training; environmental, social and sustainability report assurance. SGS affirm our independence from Balrampur Chini Mills, being free from bias and conflicts of interest with the organisation, its subsidiaries, and stakeholders.

The assurance team was assembled based on their knowledge, experience, and qualifications for this assignment, and comprised auditors registered with lead auditors of ISO14064. The assurance team is highly competent and experienced on sustainability aspects and ESG, GRI, BRSR and Integrated reporting.

FINDINGS AND CONCLUSIONS

On the basis of the methodology described and the verification work performed, nothing has come to our attention that causes us to believe that the specified performance information included in the scope of assurance is not fairly stated and has not been prepared, in all material respects, in accordance with the reporting criteria of BRSR.

QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION

SGS India reviewed the sustainability data included in the report. Balrampur Chini Mills has developed a good data management system to collect, analyse and collate ESG data. Based on the evaluation of this system, SGS found that data was accurate, and any minor corrections made as necessary.

We believe that Balrampur Chini Mills has chosen an appropriate level of assurance for this stage in their reporting.

Signed:
For and on behalf of SGS India Pvt Ltd.

Ashwini K. Mavinkurve,
Head-ESG & Sustainability
Pune

Report of the Board of Directors

for the year ended 31st March, 2023

Dear Shareholders

Your Directors have the pleasure of presenting their report as a part of the 47th Annual Report, along with the Audited Accounts of the Company for the year ended 31st March, 2023.

Financial results

The financial results of the Company are summarised below: (₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	**466586.17**	**484602.68**	**466586.17**	**484602.68**
Profit before finance costs, tax, depreciation and amortisation, exceptional items and other comprehensive income	57511.91.	74760.92	57483.12	73271.36
Less: Finance costs	4864.68	3086.89	4864.68	3086.89
Less: Depreciation and amortisation expense	12950.30	11386.49	12950.30	11386.49
Profit before share of profit of associates, exceptional items and tax	-	-	39668.14	58797.98
Add: Share of profit of associates	-	-	1163.33	1194.09
Profit before exceptional items and tax	**39696.93**	**60287.54**	**40831.47**	**59992.07**
Add/(Less): Exceptional items	-	5273.75	-	(120.37)
Profit before tax	**39696.93**	**65561.29**	**40831.47**	**59871.70**
Less: Tax expense	12143.77	14095.52	12414.77	13408.15
Profit for the year	**27553.16**	**51465.77**	**28416.70**	**46463.55**
Other comprehensive income (net of tax)	(622.33)	(361.79)	(626.69)	(367.02)
Total comprehensive income for the year	**26930.83**	**51103.98**	**27790.01**	**46096.53**

Dividend and its Distribution Policy

In terms of the Dividend Distribution Policy of the Company, the Board of Directors of the Company had declared an interim dividend of 250% (i.e. ₹2.50 per share on Equity Shares of the face value of ₹1/- each) for the Financial Year ended 31st March, 2023. Total outgo on the interim dividend was ₹5084.36 Lakhs. The said Policy is available on the website of the Company at the following web-link:

https://chini.com/sustainability/governance/policies/

The Board has not proposed any final dividend for the Financial Year ended 31st March, 2023 and accordingly, the interim dividend paid during the year shall be treated as final dividend.

Reserves and surplus

The Company has transferred an amount of ₹30000.00 Lakhs to the General Reserve.

Operations

The operational data of the Company for the last two sugar seasons and financial years are as under:

Particulars	Sugar Season		Financial Year	
	2022-23	2021-22	2022-23	2021-22
Sugarcane crushed (Lakhs quintals)	1030.05	888.31	936.63	885.42
Sugar produced (Lakhs quintals)	** 97.58	* 90.58	** 88.33	* 90.96
Sugar Recovery (%)	** 9.47	* 10.20	** 9.43	* 10.27

* Net of sugar loss due to diversion of sugarcane towards B-heavy molasses

** Net of sugar loss due to diversion of sugarcane towards Syrup and B-heavy molasses

Change in Nature of Business

There is no change in the nature of the business of the Company during the financial year.

Non-Convertible Debentures

The Board of Directors of the Company at their meeting held on 11th February, 2023 has approved the issuance of 14000 Senior, Unlisted, Secured, Redeemable, Rated Non-Convertible Debentures (NCDs) of face value of ₹1 Lakh each on private placement basis to HDFC Bank Limited in compliance with the applicable circulars issued by the Securities and Exchange Board of India on issuance of debt-securities by large corporates. The aggregate value of the NCDs as on 31st March, 2023 was ₹14000.00 Lakhs.

Industry scenario and outlook

India began the sugar season 2022-23 (October to September) with an opening inventory of around 7.0 MMT (Metric Million Tonnes), restated from 5.5 MMT by Government of India. Sugar production for the current season is estimated at 32.8 MMT, around 3.0 MMT lower than the previous season's production of 35.8 MMT. Current year's production estimate is net of sugar sacrifice of around 4.0 MMT towards Ethanol (last year 3.4 MMT).

Maharashtra, Uttar Pradesh (UP) and Karnataka as usual remains the three largest sugar producing states and are expected to produce ~10.5 MMT, 10.5 MMT and 5.8 MMT of sugar in the ongoing season in comparison to the previous season's production of 13.7 MMT, 10.2 MMT and 6.2 MMT respectively.

The reason for lower production in Maharashtra is owing to higher ratoon crop and uneven distribution of rainfall resulting in lower production.

Uttar Pradesh is expected to produce marginally higher sugar than last year on account of higher acreage and better yield.

In Karnataka likewise Maharashtra, lower yield led to lower production.

Sugar exports in the current season is expected to be around 6.1 MMT as compared to ~11.1 MMT in previous season.

The domestic demand for sugar is expected to be around 28.0 MMT as compared to 27.4 MMT in the previous season. The demand of 28.0 MMT will be a new record for the Indian sugar industry.

As a result, the carry forward stock of sugar in the country as on 30th September 2023, is expected to be around 5.7 MMT or around two and half months of consumption.

Domestic sugar prices for UP based millers ranged between ₹33.00 and ₹36.00 per kg through the course of the year.

There is worry on monsoon as El Nino fear is looming large across the Indian sub-continent and according to India Meteorological Departmet (IMD), major region that may get impacted are Maharashtra and partly Karnataka. However, there is enough availability for domestic consumption post sacrifice for Ethanol which would still warrant the country to export the surplus of sugar in order to maintain the inventory at similar levels.

The Government continued with most of the policies in the current sugar season related to sugar and ethanol that had been announced in the previous years with the objective to support sugar realisations and to ensure that farmers are paid on time.

The following policies were sustained:

- Fair & Remunerative Price (FRP) of sugarcane for the sugar season 2022-23 was revised to ₹305 per quintal from ₹290 per quintal in the previous season (linked to a basic recovery of 10.25%).
- State Advised Price (SAP) of sugarcane for the state of

Uttar Pradesh for the sugar season 2022-23 was kept same at ₹350 per quintal (for early maturing variety of sugarcane).

- Central Government announced export quota of 61 Lakh tonnes for the sugar season 2022-23 based on expected production (net of sugar sacrifice for Ethanol) after considering minimum closing inventory of 2.5 months of consumption.
- The pricing methodology for ethanol remained unchanged. Ethanol prices are announced annually by the Central Government based on a formula, which factors in the price of sugar and FRP of sugarcane to calculate ethanol procurement prices. Ethanol prices are delinked from crude or petrol prices. Ethanol prices for the supply period from December 2022 to October 2023 were increased to ₹65.61, ₹60.73 and ₹49.41 per BL for ethanol produced from direct cane juice/sugar syrup, B-heavy molasses and C-heavy molasses routes respectively compared to ₹63.45 , ₹59.08, ₹46.66 per BL in the previous period (December 2021 to November 2022).
- The Oil marketing companies announced differential prices for ethanol produced from damaged/surplus food grains. For the supply period from December 2022 to October 2023 price for ethanol from damaged foods grains was raised to ₹55.54 per BL from ₹52.92 per BL and price of ethanol from FCI surplus rice was increased to ₹58.50 per BL from ₹56.87 per BL in the previous period (December 2021 to November 2022).
- Soft loans are encouraged through banks for commissioning new distillery capacities or augmentation of existing capacities, which could facilitate higher ethanol production and reduce the sugar surplus through the diversion of B-heavy molasses and direct cane juice/sugar syrup to ethanol as well as for production of Ethanol from damaged/surplus foodgrains.
- A lower GST of 5% on ethanol.
- Duty structure on export and import of sugar remained same as per last year.
- Along with MSP, stock holding limits on mills in the form of maximum monthly sale quotas continued.

The policy interventions by the Government have been supportive keeping in mind the health of the sugar sector. Still some measures are of importance to enable the industry to become self-sufficient.

- Increase the Minimum Selling Price (MSP) of sugar (which is a part of policy) to ₹38 per kg to cover all India average production cost of sugar. A proposal to raise MSP has been pending for approval at the Cabinet level.
- In order to increase ethanol blending percentage, more and more Ethanol is required to be produced by sacrificing sugar. To achieve higher sacrifice of sugar, syrup/juice-based Ethanol capacities needs to be created which requires higher capital investment. For that Ethanol prices to be set right to have desired level of returns on investment. A study has been done by an independent professional firm suggesting higher prices of Ethanol for Syrup/Juice-based Ethanol and the report has been submitted to the Government.

The Department of Food & Public Distribution, Government of India, had constituted a working committee to look into the aspect of sugar cane price rationalisation and other matters to present a long-term sustainable solution for the entire sugar eco-system after due consultation. Further action in respect of the same needs to be undertaken on a priority basis.

Global scenario

The Global sugar year 2022-23 kickstarted with two fundamentals questions; the first one was how production in CS Brazil will pan out for the 2022-23 sugar year and the other one was how big would be the Indian exports without any govt subsidy support.

Finally, as the Brazilian session ended, it was found that CS Brazil had managed to end up with almost 33.8 million tons of sugar much above the previous year production of 32.1 million tons. The Indian exports however is in line with domestic demand-supply situation which is already well elaborated in the previous sections.

Meanwhile the 2022-23 Thailand crushing session also ended up recently and it had produced 11.0 MMT sugar for the 2022-23 crop year as compared to 10.1 MMT in 2021-22.

Chinese production came down almost at 9.0 MMT as compared to 9.6 million tons previous year and thus raised the potential of serious deficit for their domestic consumption. Pakistan production looks to be down almost by 10%. The scenario is no way better in EU and UK where production is estimated at 15.8 million tons as compared to 17.7 million tons in previous year.

It looks like in spite of a higher production in Brazil, overall global production may not see any growth as such whereas demand from net importing countries and overall population growth raise the consumption steadily.

As we are aware that the global geopolitical tensions and the Oil prices is forcing most of the energy importing nations to switch towards more ethanol/other renewable consumptions. This has invariably brought some tailwinds for sugar sectors. Moreover the lower acreage in relation to US Corn plantation is also another supportive thing for sugar price as this leads to more and more Brazilian millers switching towards ethanol production than Sugar from their current year sucrose contents.

So, it is expected that the forthcoming sugar season will have higher production from Brazil whereas the same could be compensated by lower production from India, Pakistan and Thailand. However higher consumption trend shows that the market will be evenly balanced with a minor surplus of ~0.5 MMT.

We strongly believe that the global sugar price will not have any negative surprise in the near to intermediate term rather on account of a higher consumption, it may see some strength in terms of price actions and could hover at current 23-25 c/lb levels with a bias for further upside above 26 c/lb levels even. Overall, the sugar sector across the globe will continue to have tailwinds in the days ahead.

BCML's performance during FY 2022-23

Revenues earned from operations during the year stood at ₹466586.17 Lakhs as compared to ₹484602.68 Lakhs for the previous year, lower by 3.7%. Revenues were lower on account of lower sugar volumes which was however partly off-set by higher sugar realizations. The distillery segment also delivered stable performance. The Company earned a total comprehensive income of ₹26930.83 Lakhs during the year ended 31st March 2023 as compared to ₹51103.98 Lakhs in the previous year.

Segment-wise performance and outlook

Sugar

During the financial year ended 31st March 2023, sugarcane crushing stood at 936.63 Lakh quintals as compared to 885.42 Lakh quintals in previous year, an increase of 5.78% over previous year. This was on account of higher area under cane as well as higher yield at farm level which resulted in higher availability of sugarcane. Sugar recovery (net of sugar sacrifice under syrup and B-heavy route 2.12% as compared to sugar sacrifice under B-heavy route 1.84% last year) for the year stood at 9.43% as compared to 10.27% in previous year. During the FY 2022-23 the Company has diverted 616.29 Lakh quintals (65.8%) of sugarcane for producing B-heavy molasses as compared to 613.41 Lakh quintals (69.3%) in previous year, owing to which sugar recovery was lower. In addition, in FY 2022-23 Company diverted 85.79 Lakh quintals (9.2%) towards syrup route ethanol which was not the case last year, which resulted in higher sugar sacrifice. In the process Company sacrificed 19.9 Lakh quintals of sugar as compared to 11.3 Lakh quintals in previous financial year. Had there been no diversion sugar recovery for the year would have been 11.55% as compared to 11.55% in previous year. Company is working hard at the ground level with the farmers and societies towards varietal re-balancing and developing new varieties which can be beneficial for both the farmers and millers. The Company is providing farmers with necessary agro-inputs to increase the farm yield and support clean cane quality. Influential steps were also taken to educate the farmers on modern agricultural practices.

During the year, the Company sold 90.38 Lakh quintals of sugar as compared to 102.63 Lakh quintals in previous year. Sales for the current year include 14.00 Lakh quintals to merchant exporters for export as compared to 5.40 Lakh quintals in previous year. Domestic sugar realization for the year stood at ₹35.63 per kg as compared to ₹34.77 per kg in previous year. Blended sugar realisation (Domestic along with export) stood at ₹35.97 per kg as compared to ₹34.71 per kg in previous year.

Sugar inventory (including WIP) as on 31st March 2023 stood at 51.18 Lakh quintals valued at ~₹33.71 per kg as compared to 53.27 Lakh quintals valued at ~₹34.22 per kg in previous year.

Distillery

The Company's distillery segment delivered stable performance during the year. Company produced 2148.86 Lakhs BL of industrial alcohol during the year as compared to 1631.05 Lakhs BL during the previous year. Higher production was attributable to enhanced capacity from 560 KLPD to 1050 KLPD and higher cane availability which in turn led to higher feedstock for distillation. During the year Company expanded the distillery capacity at Balrampur from 160 KLPD to 330 KLPD and set up a 320 KLPD greenfield distillery at Maizapur. In addition, Company was able to run its distilleries at optimum capacity owing to zero liquid discharge status at all its distilleries. Company started ethanol production from syrup route this year at its two plants Balrampur and Maizapur and was able to produce 671.35 Lakhs BL through cane syrup route. Owing to start of ethanol production form syrup route, production from B-heavy route declined from 1329.54 Lakh BL to 1121.00 Lakh BL.

Ethanol sales during the year produced from B-heavy molasses stood at 1104.11 Lakh BL at an average realisation of ₹59.53 per BL as compared to 1459.48 Lakh BL at an average realisation of ₹58.13 per BL in previous year. Ethanol sales from molasses produced from C-heavy route stood at 64.21 Lakh BL at an average realisation of ₹47.96 per BL as compared to 109.98 Lakh BL at an average realisation of ₹45.96 per BL in previous year. Ethanol sales from syrup route was 503.84 Lakh BL at an average realisation of ₹65.61 per BL. Similarly, Ethanol sales from grain route was 36.52 Lakh BL at an average realisation of ₹52.92 per BL. Ethanol sales from molasses produced from C-heavy route was lower in the current year as the Company chose to produce and sale Ethanol produced from Syrup and B-heavy molasses route with an intent to sacrifice higher quantity of sugar. Blended realisation for industrial alcohol (including Ethanol, ENA etc.) sales stood at ₹55.30 per BL as compared to ₹53.38 per BL in previous year.

Cogeneration

Company no longer sees cogeneration as a separate segment. Cogen/incineration has been merged with sugar/distillery based on their operational matrix. This was done as the basic purpose of these were to meet the captive requirements and the surplus power generated was exported to the state electricity grid.

From an operational perspective, power generated during the year stood at 7186.74 Lakh units as compared to 7271.56 Lakh units in previous year, a decrease of 1.17% as the Company decided to sell more bagasse outside than to use it to generate power in view of lowering of power tariff by UPERC. Power exported to Uttar Pradesh Power Corporation Limited stood at 3168.92 Lakh units as against 3493.25 Lakh units in previous year, a decrease of 9.28%. Average realisation for the year stood at ₹3.42 per unit as compared to ₹3.30 per unit in previous year. The matter of reduction in tariff by UPERC is under litigation and is pending at Hon'ble High Court Allahabad.

Others

The Company also manufactures Granular Potash Fertilizer, Bio- Zyme, Bio-Pesticides for the healthy and salubrious growth of sugarcane and also provide soil health cards to the farmers by analysing the soil samples of the farmers. It produces mainly three products namely Granular Potash, Jaiv-Shakti and Paudh-Shakti. These products provide strength to sustain under the draught conditions, increases metabolism and root development. The Company sells these products to farmers at subsidised rates and to the Indian fertilizer giant, India Farmers Fertilizer Cooperative Limited (IFFCO). Revenues during the year stood at ₹2449.40 Lakhs as compared to ₹1944.99 Lakhs in previous year.

A detailed analysis of the Company's operations, expectations and business environment has been provided in the Management Discussion and Analysis section, which forms a part of this Report.

Subsidiary, Associate and Joint Venture Companies

As on 31st March, 2023, the Company has one Associate Company, namely, Auxilo Finserve Private Limited (AFPL). The Company holds 43.93 percent shares in AFPL as on 31st March, 2023. AFPL is a Systemically Important Non-Deposit Accepting NBFC registered with Reserve Bank of India (RBI). The main objective of AFPL is to originate, provide and service loans to students pursuing education and provide ancillary services in relation to the said business activity and provide infrastructure or working capital loan to educational institutions.

During the Financial Year 2022-23, AFPL has earned revenue of ₹17826.10 Lakhs as compared to ₹8719.23 Lakhs for the previous Financial Year and profit after tax of ₹2574.74 Lakhs as compared to ₹1256.79 Lakhs for the previous Financial Year. AFPL has registered growth of 104.45% and 104.87% in revenue and profit after tax over the previous Financial Year, respectively.

The Company does not have subsidiary or Joint venture companies.

Consolidated Financial Statements

In compliance with the provisions of the Companies Act, 2013 (as amended) (the "Act") and implementation requirements of the Indian Accounting Standards Rules on accounting and disclosure requirements, as applicable, and as prescribed under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "Listing Regulations"), the Audited Consolidated Financial Statements form part of this Annual Report.

Pursuant to Section 129(3) of the Act, a statement in Form

AOC-1 containing the salient features of the financial statements of the Company's Associate Company is also provided in this Annual Report.

The audited financial statements of the Company including the consolidated financial statements and related information of the Company are available on the website of the Company at www.chini.com. Since, the Company doesn't have any subsidiary, the requirement under Section 136 of the Act about separate financial statements does not apply to it.

Share Capital

During the year under review, the Board of Directors of the Company at its meeting held on 9th November, 2022, approved the buyback of equity shares, from the open market route through the stock exchanges, amounting to ₹145.44 crores (maximum buyback size, excluding transaction costs) at a price not exceeding ₹360 per share (maximum buyback price). The buyback was offered to all eligible equity shareholders of the Company (other than the Promoters / the Promoter Group of the Company) under the open market route through the stock exchange. The buyback of equity shares through the stock exchange commenced on 16th November, 2022 and shall get completed on 15th May, 2023 (closing date of buyback). During this buyback period, the Company had bought back 2290755 (Twenty Two Lakhs Ninety Thousand Seven Hundred and Fifty Five) Equity Shares at an average price of ₹357.31 (Rupees Three Hundred Fifty Seven Thirty One Paisa Only) per Equity Share. Accordingly, the Company had deployed ₹81.85 Crores (excluding transaction costs) for the buyback, which represents 56.28% of the Maximum Buyback Size.

Post the Buyback of 2290755 equity shares, the equity share capital of the Company stood at ₹2017.49 Lakhs consisting of 201749245 equity shares of ₹1 each as on 31st March, 2023.

ESOP/ESAR

There are no outstanding stock options and no stock options were either issued or allotted during the year.

During the year, the Nomination & Remuneration Committee/Board has offered "BCML Employees Stock Appreciation Rights Plan 2023" ("ESAR 2023"/ "Plan") on 21st March, 2023 subject to shareholders approval. Accordingly, approval of shareholders were sought through Postal Ballot and the shareholders approved the ESAR 2023 on 23rd April, 2023. The Company has also received in-principle approval for listing of 4000000 (Forty Lakh) shares from National Stock Exchange of India Limited and BSE Limited on 10th May, 2023. However, no grants have been allotted as on the date of signing of this report.

Credit Rating

Details of Credit Ratings assigned to the Company are given in the Corporate Governance Report.

Directors

Pursuant to the provisions of Section 152(6) of the Act, the members of the Company at the 46th Annual General Meeting (AGM) held on 27th August, 2022, regularized the appointment of Mr. Praveen Gupta (DIN: 09651564) who was appointed as an Additional Director (Whole-Time Director) on the Board of the Company with effect from 1st July, 2022 to hold office up to the date of 46th AGM. Accordingly, Mr. Gupta to hold office as Whole Time Director for a period of 3 (three) years w.e.f 1st July, 2022 whose office shall be liable to retire by rotation. Dr. Arvind Krishna Saxena ceased to be Whole Time Director from the closure of business hours of 31st July, 2022.

None of the Directors of the Company are disqualified as per the applicable provisions of the Act.

Director retiring by rotation

Mr. Praveen Gupta (DIN: 09651564) retires from the Board by rotation and being eligible, offers himself for re-appointment. The Board of Directors recommends the said re-appointment. Resume and other information regarding aforementioned Director seeking re-appointment as required under Regulation 36 of the Listing Regulations and SS-2 on General Meetings shall be given in the Notice convening the ensuing AGM.

Changes in Board Composition

During the year under review, Mr. Praveen Gupta was appointed as an Additional Director on the Board of the Company w.e.f 1st July, 2022 and was subsequently regularised as Whole Time Director for a period of three years w.e.f 1st July, 2022 at the 46th Annual General meeting. Dr. Arvind Krishna Saxena ceased to be Whole Time Director from the closure of business hours of 31st July, 2022. No other changes occurred at the Board level.

Other Information

Appointment of Directors is made in accordance with the Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity as recommended by the Nomination &

Remuneration Committee and approved by the Board of Directors.

Other details pertaining to the Directors, their appointment / cessation, if any, during the year under review and their remuneration are given in the Corporate Governance Report annexed hereto and forming part of this Report.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Regulation 16(b) of the Listing Regulations. The Independent Directors have also confirmed that they have registered their names in the data bank of Independent Directors as being maintained by Indian Institute of Corporate Affairs (IICA) in terms of the Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended).

The Board of Directors confirm that the Independent Directors appointed during the year also meet the criteria of expertise, experience and integrity in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended).

Separate Meeting of Independent Directors

Details of the separate meeting of Independent Directors held in terms of Schedule IV of the Act and Regulation 25(3) of the Listing Regulations are given in the Corporate Governance Report.

Directors' Responsibility Statement

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act and Regulation 18 of the Listing Regulations in the preparation of the annual accounts for the year ended 31st March, 2023 and state that:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii. 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 at the end of the Financial Year and of the profit of the Company for that period;

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The Directors have prepared the annual accounts on a going concern basis;

v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in Annexure I enclosed hereto and forms part of this report. In accordance with the provisions of the aforementioned section, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid rules form part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company, excluding the aforesaid information. Any Member, who is interested in obtaining these particulars, may write to the Company Secretary.

Prevention of Sexual Harassment

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy viz., Policy on Prevention of Sexual Harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). The Company is also in compliance with the provisions of the POSH Act, with respect to the constitution of Internal Committee. During the year under review, no complaint/case was filed or was pending for redressal.

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

The particulars relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act are given in Annexure II attached hereto and forms part of this Report.

Deposits

The Company has not accepted any deposit from the public and consequently, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

Key Managerial Personnel

During the year under review, pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr. Vivek Saraogi, Chairman & Managing Director, Mr. Pramod Patwari, Chief Financial Officer and Mr. Manoj Agarwal, Company Secretary. Mr. Praveen Gupta was appointed as Whole Time Director with effect from 1st July, 2022. Mr. Arvind Krishna Saxena ceased to be Whole-Time Director from the closing of business hours of 31st July, 2022. During the year, there has been no other changes in the Key Managerial Personnel of the Company.

Details pertaining to the remuneration of KMPs employed during the year have been provided in the Annual Return.

Board Meetings

The Board met 7 (seven) times during the Financial Year under review, the details of which are given in the Corporate Governance Report attached to this Report.

Committees of the Board

Pursuant to various requirements under the Act and the Listing Regulations, the Board of Directors has constituted/reconstituted (whenever necessitated) various committees such as Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, Environment, Social and Governance Committee and Executive Committee. The details of composition, terms of reference, etc., pertaining to these committees are mentioned in the Corporate Governance Report.

Compliance of Secretarial Standards

The Company has complied with the applicable Secretarial Standards, i.e., SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

Audit Committee

All recommendations made by the Audit Committee during the year were accepted by the Board.

Vigil Mechanism / Whistle–Blower Policy

The Company has in place a Vigil Mechanism / Whistle–Blower Policy to deal with unethical behavior, victimisation, fraud and other grievances or concerns, if any. The aforementioned whistleblower policy is available on the Company's website at the following web-link:

https://chini.com/sustainability/governance/policies/

Policy on Selection and Remuneration of Directors

The Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity is annexed as Annexure III.

Board Evaluation

Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has carried out the evaluation of its own performance and that of its Committees as well as evaluation of performance of the individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report attached to this Report.

Corporate Social Responsibility

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended), the Company has a Corporate Social Responsibility ("CSR") Committee. The details of composition and meetings held during the year of the Committee are mentioned in the Corporate Governance Report.

The CSR activities of the Company are focused on Sustainable Livelihood, Education including skill development for women empowerment, Healthcare, Sanitation & safe drinking water; Rural Development and Environment sustainability. During the year, ₹85.52 Lakhs has been set off against the mandatory CSR obligation of ₹1132.94 Lakhs of FY 22-23, pursuant to which the current year CSR obligation amounted to ₹1047.42 Lakhs. During the year, the Company has spent ₹1194.74 Lakhs towards CSR and accordingly the excess amount available for set-off till FY 2026 is ₹147.32 lakhs. The CSR Policy of the Company as approved by the Board can be accessed on the Company's website at following web-link:

https://chini.com/sustainability/governance/policies/

Impact Assessment

As per the CSR Amendment Rules 2021, Impact Assessment is mandatory for companies having an average spend of ₹10 crores or more in the last 3 (three) preceeding financial years. Accordingly, the Board of Directors of the Company has appointed an independent impact assessment agency viz. Third Planet Foundation to carry out the Impact Assessment of the societal activities carried out by the Company under its Corporate Social Responsibility interventions. As per the Impact Assessment Report issued by Third Planet Foundation in May, 2023, the CSR interventions of the Company have created a very meaningful and needful impact in the community and the chosen thematic areas have shown growth, outcomes and impact across all the location. The CSR Committee and the Board of Directors of the Company took a note of the same at their respective meetings held on 8th May, 2023 and 11th May, 2023, respectively. The Impact assessment Report is available on the Company's website at the following web-link:

https://chini.com/pdf/BCML_Impact_Assessment_Report_2023_Third_Planet_Foundation.pdf

The details of the CSR initiatives undertaken by the Company during the Financial Year 2022-23 are outlined in the initial section and the Annual Report on CSR activities which along with CSR Policy is attached as Annexure IV.

Inter-corporate Loans and Investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements forming part of this Annual Report.

Related Party Transactions

During the Financial Year ended 31st March, 2023, all transactions with the Related Parties as defined under the Act read with Rules framed thereunder, were in the ordinary course of business and at arm's length basis. During the year under review, your Company did not enter into any Related Party Transaction which requires approval of the Members. There have been no materially significant related party transactions made by the Company with the Promoters, the Directors or the Key Managerial Personnel which may be in conflict with the interests of the Company at large.

Since all related party transactions entered into by your Company were in the ordinary course of business on arm's length basis and not material, therefore, details required to be provided in the prescribed Form AOC - 2 are not applicable to the Company. The Policy on Related Party Transactions as approved by the Board can be accessed on the Company's website at following web-link:

https://chini.com/sustainability/governance/policies/

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

Risk Management Policy and Framework

The policy on risk assessment and minimisation procedures as laid down by the Board are periodically reviewed by the Risk Management Committee, Audit Committee and the Board. The policy facilitates identification of risks at appropriate time and ensures necessary steps to be taken to mitigate the risks. Brief details of risks and concerns are given in the Corporate Governance Report and Management Discussion and Analysis Report.

Annual Return

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft annual return of the Company for the Financial year ended 31st March, 2023 is uploaded on the website of the Company and can be accessed at https://chini.com/investors/financials/.

Material Changes and Commitments

Except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the Financial Year i.e. 31st March, 2023 and the date of this Report.

Significant and Material Orders

There are no significant/ material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations. During the year under review, no Corporate Insolvency Resolution application was made or proceeding was initiated, by/against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended).

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to the financial statements. During the year, such controls were reviewed and no reportable material weakness was observed.

Corporate Governance & MDA Report

In terms of the provisions of Regulation 34(3) of the Listing Regulations, the Corporate Governance Report and the Certificate on the compliance of conditions of Corporate Governance form part of the Annual Report and are given separately as Annexure V and the Management Discussion and Analysis is given in Page no. 110 of the Annual Report.

Business Responsibility & Sustainability Report

Your Company has been delivering long-term shareholder value, benefitting the society. The Company is committed to economic, social, environmental, and cultural growth equitably and sustainably and creating a positive business environment. Over the years, BCML has worked to enrich lives across communities.

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with relevant SEBI Circulars, new reporting requirements on 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 capitalisation. Accordingly, for the financial year ended 31st March 2023, your Company has published BRSR instead of Business Responsibility Report. BRSR is annexed as Annexure VI and forms an integral part of the Annual Report.

Auditors

Statutory Auditors and their Audit Report

M/s. Lodha & Co, Chartered Accountants (Firm Registration No. 301051E), were appointed as Statutory Auditors of the Company at the 41st AGM of the Company held on 30th August, 2017, to hold office till the conclusion of the 46th AGM. Hence, M/s. Lodha & Co, Chartered Accountants were re-appointed for a further term of 5 (five) years, in terms of provisions of Sections 139 and 141 of the Act. i.e. from the conclusion of the 46th AGM till the conclusion of 51st AGM of the Company.

The reports given by the Auditors, M/s. Lodha & Co, Chartered Accountants on the standalone and consolidated financial statements of the Company for the year ended 31st March, 2023 form part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports.

The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

Secretarial Auditors and their Audit Report

Pursuant to the provisions of Section 204 of the Act, the Company has appointed M/s. MKB & Associates, Company Secretaries, to undertake the secretarial audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year 2022-23 is attached as Annexure - VII and forms part of this Report. The contents of the said Audit Report are self- explanatory and do not call for any further comments by the Board. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors and their Audit Report

During the year under review, pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 (as amended), the Board has appointed M/s. Mani & Co., Cost Accountants, to conduct cost audit of the cost records maintained by the Company relating to Sugar (including industrial alcohol), Electricity, Fertilisers and Insecticides for the financial year ended 31st March, 2023.

On the date of this Report, your Directors have, on the recommendation of the Audit Committee, appointed M/s. Mani & Co., Cost Accountants, as the Cost Auditors of the Company for the Financial Year 2023-24. As required under the Act, a resolution seeking ratification of the remuneration payable to the Cost Auditors shall form part of the Notice convening the ensuing AGM.

There was no remark, comment or observation made by the Cost Auditors of the Company in their report.

Opening of Suspense Escrow Demat Account

In accordance with recent SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, a separate Suspense Escrow Demat Account has been opened with a Depository Participant for crediting unclaimed shares in dematerialised form lying in the Company's Demat Suspense Account at present.

Proceeding under the Insolvency & Bankruptcy Code, 2016

No application / proceeding by / against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on 31st March, 2023.

One Time Settlement with the Banks of Financial Institutions

No One time settlements with Banks or Financial Institutions were entered during the year.

Annexures forming part of this Report

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and forms part of this Report:

Annexure/ Page No.	Particulars
I	Particulars of Employees
II	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
III	Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity
IV	Annual Report on CSR activities and CSR Policy
V	Corporate Governance Report
VI	Business Responsibility & Sustainability Report
VII	Secretarial Audit Report
110-120	Management Discussion and Analysis Report

Appreciation

Your Directors take this opportunity to thank all the stakeholders including the Central Government, the Government of Uttar Pradesh, shareholders, farmers, customers, dealers, State Bank of India, HDFC Bank, ICICI Bank Limited, Kotak Mahindra Bank, other banks and financial institutions and all other business associates & vendors for their excellent support. Your Directors also wish to place on record their deep appreciation for the committed services by your Company's employees.

For and on behalf of the Board of Directors

Sd/-
Praveen Gupta
Whole-time Director
DIN : 09651564
Place: Haidergarh

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN : 00221419
Place: Kolkata

Date: 11th May, 2023

Annexure I to the Board's Report

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 (AS AMENDED)

I. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2022-23:

Name	Designation	Ratio
Mr. Vivek Saraogi	Chairman and Managing Director	188:1
Mr. A.K Saxena*	Whole-time Director	11:1
Mr. Praveen Gupta**	Whole-time Director	19:1

* Ceased w.e.f 31st July, 2022 (Gratuity paid amount of ₹24.81 Lakhs included)

** Appointed w.e.f 1st July, 2022

II. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the Financial Year 2022-23:

Name	Designation	% increase in Remuneration
Mr. Vivek Saraogi	Chairman and Managing Director	11.16
Mr. A.K Saxena*	Whole-time Director	6.81
Mr. Praveen Gupta**	Whole-time Director	N.A
Mr. Pramod Patwari	Chief Financial Officer	12.63
Mr. Manoj Agarwal	Company Secretary	12.00

* Ceased w.e.f 31st July, 2022

**Appointed w.e.f 1st July, 2022

III. The percentage increase in the median remuneration of employees in the financial year 2022-23: The median remuneration of the employees increased by 25.84% in the financial year 2022-23.

IV. The number of permanent employees on the rolls of the Company: There were 6270 number of permanent employees on the rolls of the Company as on 31st March, 2023.

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

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year: 17.81%

Percentile increase in the managerial remuneration: 8.98%

Justification – Remuneration paid to the managerial personnel are as per recommendation of the Nomination & Remuneration Committee and as approved by the Board and the Shareholders of the Company. There is no exceptional increase in the managerial remuneration and the same is less than the increase in the salaries of employees other than managerial personnel and therefore no justification is required.

VI. Affirmation that the remuneration is as per the remuneration policy of the Company: It is hereby affirmed that the remuneration paid during the year 2022-23 is as per the Remuneration Policy of the Company.

Notes:

1. The Non-Executive Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the shareholders of the Company. The details of remuneration of Non-Executive Directors are provided in the Report on Corporate Governance and are governed by the Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity of the Company, as provided in the Annual Report. In view of this, the calculation of the ratio of remuneration and percentage increase in remuneration of Non-Executive Directors would not be meaningful and hence not provided.
2. Permanent employees on the rolls of the Company includes Permanent and Seasonal Permanent employees but does not include Badli Workers, Retainers, Advisors, etc.

For and on behalf of the Board of Directors

Sd/-
Praveen Gupta
Whole-time Director
DIN – 09651564
Place: Haidergarh

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN – 00221419
Place: Kolkata

Date: 11th May, 2023

Annexure II to the Board's Report

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014.

A. Conservation of Energy

a) The steps taken or impact on conservation of energy

The Company has taken various steps towards conservation of energy in its Units. Details of steps taken are listed below:

i. The Company installed most advanced third generation Short Retention Time Clarifier (patented design of an Australian Technologist) at Balrampur and Babhnan units.

ii. Optimize imbibition of water quantity for increasing crushing rate for utilization of maximum efficiency of equipment at full crush rate, resulting in saving in bagasse, steam consumption as well as reduction in power consumption per ton of cane.

iii. Light Emitting Diode (LED) lights are being installed on a continuous basis in place of conservative lighting systems.

iv. New and modern Distributed Control Systems (DCS) installed for optimum utility and smooth running of units.

v. Solar lights installed in cane purchase centres.

vi. Installation of Variable Frequency Drive (VFDs) with level control in B-Heavy molasses transfer pumps.

vii. Installation of planetary gears in replacement of inefficient worm wheel type gears is also being done on regular basis in all the Units for saving of electrical energy.

viii. Installation of screw pumps / high flow pumps in place of inefficient geared pumps is also being done on regular basis .

ix. Continued Installation of pneumatic plough only in A-Centrifugal all machine for increasing efficiency cycle resulting in steam saving.

x. Continued Installation of auto feed control valve (IRIS) on continuous centrifugal machines.

The impact of above measures are expected to reduce the consumption of fuel and power substantially and consequently the cost of production.

b) The steps taken by the Company for utilising alternate sources of energy:

The focal point of the Company's operating policy is an integration through which the by-product of one process serves as raw material for another. The Company produces green power as it uses its waste product (bagasse) as raw material instead of using fossil fuels which is harmful for the environment. The Renewable power produced by the Company is used for captive use and is also sold to the Grid. Further biogas generated from CPU digester is being utilized as a fuel for drying Potash Granules in Granulation.

c) The capital investment on energy conservation equipment during the Financial Year 2022-23 was ₹1812.16 Lakhs.

B. Technology absorption

i. The Company carried on following sugarcane development activities during the financial year 2022-23:

- Autumn and early spring cane planting.
- Mobile App (Balram App) re-vamped for educating and disseminating important information to farmers.
- Distribution of pressmud amongst farmers for improvement of soil health.
- Inter-cropping of sugarcane for multi crops to growers;
- Installation of high flow pump in place of obsolete pumps;
- Tissue Culture Lab for developing variety of Cane Seeds.
- Biological control laboratory for sugarcane pest management as a measure to protect cane from diseases.

- Use of moist Hot Air, Hot Water and Sett Treatment Machine to eradicate seed borne inoculum of red rot, smut, GSD disease etc.;
- Soil testing laboratory including analysis of micronutrients and providing soil health card to growers for correct nutrient recommendation as per requirement of the soil;
- Better ratoon management helping to increase in cane yield and recovery;

ii. Due to above efforts, it is expected that higher yield of disease free cane will be available to the Company, resulting in higher returns to the Company and the cane growers. Multi cropping also helps farmers to get more returns.

iii. The Company has not imported any technology.

iv. Expenditure incurred on Research & Development: Nil

C. Foreign Exchange Earnings and outgo

	2022-23	2021-22
Foreign Exchange earned in terms of actual inflows	Nil	Nil
Foreign Exchange outgo in terms of actual outflows	₹84.56 Lakhs	₹227.95 Lakhs

For and on behalf of the Board of Directors

Sd/-
Praveen Gupta
Whole-time Director
DIN : 09651564
Place: Haidergarh

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN : 00221419
Place: Kolkata

Date: 11th May, 2023

Annexure III to the Board's Report

POLICY ON SELECTION & REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES AND ON BOARD DIVERSITY

1. Preamble

Sub-section (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Part – D of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also mandates the Nomination and Remuneration Committee 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. It further requires the Nomination and Remuneration Committee to devise a policy on diversity of the Board of Directors of the listed entity.

This Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity **("Policy")** is designed to (i) attract, motivate and retain talented employees in the competitive market, (ii) motivate employees to excel in their performance, recognize their contribution, (iii) retain talent in the organisation, reward merit and protect organisational stability & flexibility and (iv) lay down the criteria for selection of directors in the Board and persons in the senior management to assist the Board of Directors in performing its duties. This Policy will also ensure constitution of the Board with optimum combination of Executive and Non-Executive Directors including Independent Directors who possess diverse experience and expertise in strategic management, governance and provide long term vision and direction to the Company.

However, the Board should act according to its obligations under the specific facts and circumstances it faces.

The Board of Directors ("the Board") of Balrampur Chini Mills Limited ("the Company") at their meeting held on August 11, 2016 has adapted this Policy and was effective from September 1, 2016. Further, the Board approved the amended the Policy at its meeting held on 24th May, 2022 and the amended policy shall be effective from 24th May, 2022.

This Policy applies to the Company's Directors, Key Managerial Personnel and other employees.

2. Objectives

This Policy is formulated with the following objectives:

(i) To set the criteria for determining qualifications, positive attributes and independence of a Director.

(ii) To have a diverse Board, with people from diverse areas of expertise and experience.

(iii) To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and employees of the quality required to run the Company successfully.

(iv) To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

(v) To ensure that the remuneration 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.

(vi) To attract, recruit, motivate and retain desired talent.

However, exceptional occasions may arise where it is appropriate to act differently than set out in this Policy due to some extra-ordinary talent of any candidate and due to outstanding performance.

3. Definitions and Interpretations

"Act" shall mean the Companies Act, 2013 (as amended) along with the rules made thereunder.

"Committee" means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company.

"Key Managerial Personnel" or **"KMP"** means personnel as defined under the Companies Act, 2013.

"Listing Regulations" shall mean the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015.

"Senior Management", "Senior Management Personnel" or **"Senior Executives"** means officers/ personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/ manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

4. Policy for selection and appointment of the Board Members Board Membership Criteria & Diversity

The Board of Directors should be composed of individuals who have demonstrated significant achievements in business, education, individual profession and/or public service. They should have requisite expertise, education and experience to make a significant contribution to the deliberations of the Board of Directors in light of the Company's business. In addition, the Board shall have atleast one woman director.

The Committee may review the appropriate skills and characteristics of Board members in the context of the current structure of the Board. This assessment should include issues of diversity, age, business, qualifications, ethics & integrity, willingness to participate in Board matters and other criteria that the Committee and Board find to be relevant at that point of time. A variety and balance of skills, background and experience is desirable.

The composition of the Board shall meet the conditions prescribed under the Act and the Listing Regulations. Proposed appointees shall possess the Director Identification Number and meet the criteria as laid down in the Act and the Listing Regulations.

Attributes

The overall ability and experience of individual Board candidate should determine their suitability. The following attributes may be considered as desirable in any candidate for the Board:

- **Experience** - A Board candidate should have extensive experience in business, administration, profession, governance and/or public service. An ideal Board candidate may have had experience in more than one of these areas.
- **Education** - Ideally, it is desirable that a Board candidate should hold degree from a respected college or university. In some cases, it is further desirable for the candidate also to have earned a masters or acumen in governance & administration. However, these educational criteria are not meant to exclude an exceptional candidate who does not meet these educational criteria.
- **Personal** - A Board candidate should be of the highest moral and ethical character. The candidate should exhibit independence, objectivity and be capable of serving as a representative of the stakeholder.
- **Individual Characteristics** - A Board candidate should have the personal qualities to be able to make a substantial active contribution to the Board deliberations. These qualities include intelligence, self-assuredness, high ethical standard, inter-personal skills, independence, judgmental, courage, a willingness to ask the difficult question, communication skills and commitment.
- **Availability** - A Board candidate must be willing to commit, as well as have, sufficient time available to discharge the duties of the Board membership. The candidate should not have any prohibited interlocking relationships.
- **Compatibility** - A Board candidate should be able to develop a good working relationship with other Board members and contribute to the Board's working relationship with the Senior Management of the Company.
- **Compliance** - A Candidate should meet the compliance requirements prescribed under the Act, the Listing Regulations and other Rules & Regulations or standards set out by the Company.

Predominance of Independent Directors

Independence promotes integrity, accountability and governance. The Board shall comprise of requisite number of independent directors as prescribed under the law.

Not less than requisite number of directors shall be independent directors who meet the criteria for independence as required under the Act, the Listing Regulations and other prescribed Rules & Regulations applicable to the Company. Besides, the Board will consider all relevant facts and circumstances in making a determination of independence.

Selection and Orientation of New Directors

The Committee shall identify candidates for the Board and recommend them for appointment by Board and subsequently for approval by the shareholders as prescribed under the law. The Board delegates the screening process to the Committee with direct input from the Chairman of the Board or the Managing Director or any other Committee as may deem appropriate. The Senior Management, working in conjunction with the Committee, shall develop an appropriate familiarisation program for new directors that include background briefings, meetings with the Senior Management and visits to Company facilities etc.

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 for such role shall meet the description.

For the purpose of identifying suitable candidates, the Committee may;

1. use the services of an external agencies, if required
2. consider candidates from a wide range of backgrounds, having due regard to diversity and
3. consider the time commitments of the candidates

Assessing Performance of Board and Committees

The Committee shall formulate criteria for effective evaluation of performance of the Board, its Committees and individual directors. The performance evaluation of Independent directors shall be done by the entire Board of Directors, excluding the directors being evaluated. The Independent directors in their meeting shall review the performance of non-independent directors and the Board as a whole. While assessing the performance, the Board or the Committee shall take into account attendance of directors in the Board and Committee meetings, performance of the business, accomplishment of long-term strategic objectives & their participation, role & functioning of various committees, compliance and other matter as they may think fit. The purpose of the assessment is to increase the effectiveness of the Board.

5. Selection and nomination of Senior Management including KMP

Criteria for selection of directors shall also apply for selection of executives in the Senior Management. Where appointment or performance of any KMP requires specific qualification or degree, the person should also possess the same. Keeping self-up-to-date for performing duties, on issues and emerging trends is an important part of responsibilities. KMP must take reasonable steps to remain current in professional development, corporate governance and discharging duties & responsibilities.

The KMP shall meet the conditions prescribed under the Act and other Rules & Regulations as may be applicable. Appointment of KMPs shall be recommended by the NRC and approved by the Board.

The Committee may issue necessary guidelines for appointment, promotion, removal or any other matter w.r.t. the employment of any Senior Management Personnel.

The information on recruitment and remuneration of senior officers just below the level of the Board shall be presented to the Board.

6. Compensation Structure Principles of Remuneration

This Policy reflects the balance between the interests of the stakeholders of the Company as well as a balance between the Company's short-term and long-term strategy. As a result, the structure of the remuneration package for the Executive Directors and the Senior Management Personnel are designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company. The Company strives for high performance in the field of sustainability and aims to maintain a good balance between economic gains, respect for people and concern for the environment in line with the values of the Company and business principles to ensure that highly skilled and qualified personnel can be attracted and retained. The Company aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size and complexity. The Company shall strive to be an equal opportunity employer.

The following elements shall be considered for payment of remuneration to Executive Directors, Senior Management Personnel and other employees:

Industry Average, Remuneration drawn by peers considering nature and volume of responsibilities, Qualification, Experience, Immediate previous position held in earlier organization & responsibilities occupied, responsibilities shouldered in the Company, contribution made within the organisation, any achievement, reward or recognition, behavioural patterns, work ethics, evaluation of performance etc.

Remuneration to Executive Directors & Non-Executive Directors

The Executive Directors shall be eligible for a monthly remuneration consisting of salary, perquisites and annual performance linked incentive, as may be approved by the Board of Directors, based on the recommendations of the Committee, provided the same are in accordance with the statutory provisions of the Act, the rules made thereunder, for the time being in force and subject to the limits/ scale approved by the Shareholders.

The Non-Executive Directors (including Independent Directors) shall be entitled to receive sitting fees for attending each meeting of the Board of Directors and the committees thereof. The fees paid to the Non-Executive Directors for attending meetings shall be such as may be determined by the Board within the limits prescribed under the Act. Beside the sitting fees, they are also entitled to reimbursement of expenses for participation in meetings of the Board / Committee / Shareholders and payment of commission on net profits.

Any review of the remuneration to Executive Directors and Non-executive Directors shall be on the basis of performance evaluation of directors and as per recommendation of the Committee.

Payment of commission & sitting fees to Non-Executive Directors shall be subject to the provisions of the Act including prescribed rules & schedules thereunder and the Listing Regulations.

Remuneration to Senior Management (including KMP) and other employees

In order to attract and retain managerial expertise, the elements of the remuneration of the Senior Management are determined on the basis of the work they do and the value they create as well as of the conditions in other similar companies. Each element of the remuneration has been weighted in order to ensure a continuous positive development of the Company both in the short and longterm as well as of the employees to enhance productivity.

Any remuneration in whatever form payable to Senior Management Personnel of the Company shall be recommended by the Committee to the Board for its approval.

Remuneration of employees largely consists of base remuneration, perquisites, performance linked incentive, bonus, exgratia, etc. The components of the total remuneration vary for different cadres/ grades are governed by industry pattern, qualification and experience of the employee, responsibilities handled by him, individual performance, among others. Employees/workers may be granted advance/ loan with or without interest in case of genuine needs like- Medical, education, housing, marriage or for any other genuine purpose, subject to in conformity with the applicable laws and regulations as amended from time to time. The remuneration to employees/workers shall also comply with the applicable regulations and policies of the respective governments. As the factories of the Company are situated in the State of Uttar Pradesh, the remuneration to employees/ workers (other than Senior Management) shall also be in compliance with the policies of the U.P. Govt. including Wage Board.

However, the Company may give compensation in the form of reward or incentive to any employee for his outstanding or extraordinary performance, which is over and above the benchmark set for him during any year.

Annual appraisal of performance of Senior Executives and other employees shall be done by the respective reporting authority/ head of the department in association with HR Department. Based on such performance evaluation any increase in remuneration shall be considered.

Long Term Incentive Employee Stock Option Scheme

The Company may put in place an Employees Stock Option Scheme for the Executive Director(s) and employees of the Company with the objective of aligning interests of the executive management and key employees with the longterm goals of the Company and its shareholders and also to attract and retain talent to align the interest of employee with those creating sustainable value for all stakeholders.

7. Supplementary Provisions

The Committee may review this Policy periodically and suggest revisions in this Policy to the Board to ensure this Policy serves its purpose and accurately reflects the sense of the Board and the Company.

Annexure IV to the Board's Report

THE ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31ST MARCH, 2023

1. Brief outline on CSR Policy of the Company

BCML's Vision for CSR is "to contribute for bringing social and economic change to the underprivileged sections of the society in an equitable and sustainable manner and to contribute for livelihood enhancement initiatives for the weaker sections of the society. In doing so, we believe that we are contributing to develop the quality of human life and making a better India."

The scope of activities which, the Company undertakes towards fulfillment of its CSR is in line with Schedule VII of the Act. The Company focuses on the following key areas for its CSR Activities:

- Livelihood enhancement and poverty alleviation;
- Education including skill development for empowerment of women and others;
- Healthcare, sanitation & safe drinking water;
- Rural development and transformation;
- Environment sustainability & climate change;
- Disaster management.

Besides, the CSR Activities of the Company shall be such activities as permissible under Schedule VII of the Act.

Subject to the provisions of the Act, the Company will undertake the CSR Activities either (i) directly and/ or (ii) through Implementing Agencies as defined in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Naresh Dayal	Non-Executive Non Independent Director, Chairperson	3	3
2.	Ms. Veena Hingarh	Non-Executive - Independent Director, Member	3	3
3.	Mr. Vivek Saraogi	Chairman and Managing Director - Member	3	2

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

Web-link for Composition of CSR committee	https://chini.com/management/#committee
CSR Policy	https://chini.com/sustainability/governance/policies/
CSR projects approved by the board	https://chini.com/sustainability/social/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The Board of Directors of the Company has appointed an independent impact assessment agency viz. Third Planet Foundation to carry out the Impact Assessment of the CSR interventions of the Company. As per the Impact Assessment Report issued by Third Planet Foundation in May, 2023, the CSR interventions of the Company have created a very meaningful and needful impact in the community and all the thematic areas have shown growth, outcomes and impact across all the locations. The CSR Committee and the Board of Directors of the Company have noted the same at their meetings held on 8th May, 2023 and 11th May, 2023 respectively. The Impact assessment Report is available on the Company's website at the web-link: https://chini.com/pdf/BCML_Impact_Assessment_Report_2023_Third_Planet_Foundation.pdf

5.	(a)	Average net profit of the company as per sub-section (5) of section 135.	₹56646.81 Lakhs
	(b)	Two percent of average net profit of the company as per sub-section (5) of section 135.	₹1132.94 Lakhs
	(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	NIL
	(d)	Amount required to be set-off for the financial year, if any.	₹85.52 Lakhs
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	₹1047.42 Lakhs

6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	₹1182.37 Lakhs
	(b)	Amount spent in Administrative Overheads.	₹4.07 Lakhs
	(c)	Amount spent on Impact Assessment, if applicable.	₹8.30 Lakhs
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	₹1194.74 Lakhs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹1194.74	Not Applicable				

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (₹ in Lakhs)
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	₹1132.94
ii.	Total amount spent for the Financial Year	₹1194.74
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	Refer Note below*
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)]	₹147.32 *

***Note:** During the year, ₹85.52 Lakhs has been set off against the mandatory CSR obligation of ₹1132.94 Lakhs of FY 22-23, pursuant to which the current year CSR obligation amounted to ₹1047.42 Lakhs. Accordingly, the excess amount available for set-off is ₹147.32 Lakhs (₹1194.74 Lakhs - ₹1047.42Lakhs) for the Financial Year 2022-23, which is required to be adjusted with the immediate succeeding financial years.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹).	Amount transferred to a fund as specified under Schedule VII as per second proviso to subsection (5) of section 135,		Amount remaining to be spent in succeeding financial year (in ₹)	Deficiency, if any
					Amount (in ₹).	Date of transfer.		
Not Applicable								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes / ~~No~~

If Yes, enter the number of Capital assets created/ acquired : Two

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹ in Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1.	Two Tractors (Cleaning and sanitisation of surrounding areas)	271126	08.04.2022	14.35	CSR00001874	Balrampur Foundation	Balrampur Foundation, 504, Woodburn Central, 5th floor, 5A Bibhabati Bose Sarani, Kolkata - 700020
	TOTAL			14.35			

9. 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

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN - 00221419
Place: Kolkata

Sd/-
Naresh Dayal
Chairperson - CSR Committee
DIN - 03059141
Place: Nainital

Date: 11th May, 2023

CORPORATE SOCIAL RESPONSIBILITY POLICY

PHILOSOPHY

Corporate Social Responsibility ("CSR") is a kind of social responsibility integrated into a business model. CSR goes beyond compliance and engages in actions that further some social good, beyond the interests of the company and those which are required by law. CSR aims to embrace the responsibilities for the business actions and encourage a positive impact through its activities on the environment, communities, farmers and in general on the wellbeing of society at large.

At Balrampur Chini Mills Limited ("Company"), we are committed to economic, social, environmental and cultural growth of the underprivileged in an equitable and sustainable manner, primarily in the peripheral areas around our factories and corporate office. Over the years, the Company has worked for the enrichment of lives across these communities by creating sustainable livelihoods, promoting education, healthcare, sanitation, etc.

Our Vision for CSR is "to contribute for bringing social and economic change to the underprivileged sections of the society in an equitable and sustainable manner and to contribute for livelihood enhancement initiatives for the weaker sections of the society. In doing so, we believe that we are contributing to develop the quality of human life and making a better India."

LEGAL REQUIREMENTS

Pursuant to Section 135 of the Companies Act, 2013 (as amended) ("Act") read with the Companies (Corporate Social Responsibility) Rules, 2014, (as amended) ("CSR Rules") the Board of Directors ("Board") of the Company is required to formulate a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken as specified in Schedule VII of the Act and the expenditure to be incurred thereon. Additionally, the objective of this Policy is to provide an overall framework, principles and guidelines to the CSR Committee to conduct CSR activities in line with Section 135 of the Act and the Rules and other applicable laws and regulations, as amended from time to time.

The Board of the Company had initially adopted this CSR Policy in terms of section 135 (3) (a) of the Act read with the CSR Rules and Schedule VII of the Act made thereunder on 12th May, 2014, which was further amended on 8th February, 2018.

Considering the recent amendments made in Section 135 of the Act vide the Companies Amendment Act, 2019 and the Companies Amendment Act, 2020 along with changes in the Rules vide the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("Amendment Rules"), the Board at their meeting held on 1st June, 2021, based on the recommendations of the CSR Committee of the Board, have adopted this Policy, namely, BCML Corporate Social Responsibility Policy ("Policy") and it shall be effective from 1st June, 2021. This Policy shall supersede the existing Corporate Social Responsibility Policy.

CSR COMMITTEE

The Board of Directors of the Company shall from time to time constitute/reconstitute a CSR Committee consisting of such members as may be required under the Act. The CSR Committee shall meet at least twice in a year to review annual action plan and monitor the CSR projects/ programmes. The quorum shall be two members. The Committee shall periodically review the Policy, discuss the budget and strategy, review project progress, issue necessary direction from time to time to ensure orderly and efficient execution of the CSR programmes in accordance with this Policy and also consider the future course of action.

The terms of reference of the CSR Committee are mentioned hereunder:

(i) Formulate and recommend to the Board, a CSR Policy (and modifications thereto from time to time) which shall provide an approach and the guiding principles for selection, implementation and monitoring of CSR activities to be undertaken by the Company as well as formulation of the annual action plan.

(ii) Recommend and review the annual action plan, and any modifications thereof, to the Board comprising of following:

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

- the manner of execution of such projects or programmes;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes; and
- details of need and impact assessment, if any, for the projects undertaken by the Company.

(iii) Recommend specific projects, either new or ongoing, in pursuance of the Focus Areas outlined in this Policy or such other activity as listed under Schedule VII of the Act, either for undertaking such projects by the Company itself, directly or through any implementation agency, for inclusion in the annual action plan or contributions or financial assistance.

(iv) Recommend to the Board, the amount of expenditure to be incurred on the CSR activities in a financial year and the amount to be transferred in case of ongoing projects and unspent amounts, if any.

(v) Review the progress of CSR initiatives undertaken by the Company.

(vi) Monitor the CSR Policy of the Company from time to time and institute transparent monitoring mechanism for implementation of the CSR projects referred to above.

(vii) Review and recommend to the Board, the Annual Report on CSR activities to be included in Board's Report and take a note of the certificate submitted by the Chief Financial Officer.

(viii) Review and recommend to the Board, the Impact Assessment Report, if any, obtained by the Company from time to time.

(ix) Undertake such activities and carry out such functions as may be provided under section 135 of the Act and the Rules.

FOCUS AREAS

The scope of activities which, the Company will undertake towards fulfillment of its CSR shall be in line with Schedule VII of the Act. The Company shall focus on the following key areas for its CSR Activities:

a) Livelihood enhancement and poverty alleviation

b) Education including skill development for empowerment of women and others.

c) Healthcare, sanitation & safe drinking water

d) Rural development and transformation

e) Environment sustainability & climate change

f) Disaster management

Besides above, the Board may approve such other CSR activities as permissible under Schedule VII of the Act.

The CSR initiatives would be identified as per the requirement in the community and the local area from where the Company operates. Further, the CSR Committee may also consider any initiative to be carried out in terms of the Act in any other part of India. Professional agencies may be engaged in conducting need based assessment in some programme, wherever required.

IMPLEMENTATION

Subject to the provisions of the Act, the Company will undertake the CSR Activities either (i) directly or (ii) through a registered trust or registered society or registered company (under Section 8 of the Act) registered under section 12A and 80G of the Income Tax Act, 1961, established by it either singly or along with any other company (iii) through any other Implementing Agency.

Provided that if the Company decides to undertake its CSR activities through a company established under section 8 of the Act or a registered trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, such company or trust or society shall have an established track record of three years in undertaking similar programs or projects and the Company should have specified the projects or programs to be undertaken, the modalities of utilisation of funds of such projects and programs and the monitoring and reporting mechanism.

Provided that such implementing agencies shall be covered by Rule 4 (1) of the Rules and registered with Central Government and is in possession of unique CSR Registration Number.

Further, for carrying the CSR Activities, the Company may also collaborate with the Governments, the District Authorities, the village panchayats, NGOs and other like-minded stakeholders that can widen the Company's reach and help the Company to leverage upon the collective expertise, wisdom and experience that these partnerships bring to the CSR Activities.

However, the CSR Committee shall ensure the credibility of implementing agency and its ability to execute the project or programme effectively. The disbursement by the Company to the implementing agency should be preferably made upon receipt of proposal along with budget and implementation schedule, and in tranches in order to ensure that the amount does not lie unspent with the implementing agency.

CSR EXPENDITURE

- As mandated under Section 135 of the Act read with the CSR Rules, expenditure on CSR Activities in any financial year shall be atleast 2% of the average net profits of the Company made during the three immediately preceding financial years or such higher amount as may be recommended by the CSR Committee and approved by the Board of Directors of the Company.
- The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the said financial year.
- Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of the CSR Policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- If the Company fails to spend the minimum allocation of CSR the reasons for not spending the amount shall be specified in the Board's Report prepared under Section 134(3)(o) of the Act and unless the unspent amount relates to any Ongoing Project, it will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- The Company shall deal with the unspent amount, if any, in the following manner:
  a) Where the unspent amount is related to an Ongoing Project, such unspent amount shall be transferred to the CSR Unspent Account within a period of 30 days from the end of the financial year and the same shall be spent in the manner as prescribed in section 135(6) of the Act and the CSR Rules; and
  b) Where the unspent amount is not related to an Ongoing Project, such unspent amount shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year or such other time period as permissible under the Act.
- The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by –
  a) a company established under section 8 of the Act or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number under sub-rule (2) of Rule 4; or
  b) beneficiaries of the said CSR project, in the form of selfhelp groups, collectives, entities; or
  c) a public authority.
- Where the Company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years subject to the conditions that –
  a) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any, in pursuance of sub-rule (2) of this rule; and
  b) the Board of the Company shall pass a resolution to that effect.

MONITORING, REVIEW AND IMPACT ASSESSMENT

The CSR Committee shall review the progress reports as received from implementing agencies and / or concerned officer / team of the Company, as may be the case. The CSR Committee shall review and inform the Board on the utilisation of the funds disbursed for the purpose and in the manner approved by it. The outcome of impact assessment, if any, and progress reports submitted will be taken into consideration while engaging the implementation agencies for subsequent CSR projects and programmes and while finalizing the annual action plan for the subsequent year.

The Company should ensure that the implementing agencies, shall keep the Company informed about any information or circumstances that will affect the ability of the agency to carry out the CSR project or programme. Where the CSR amount spent results or resulted in creation or acquisition of capital asset, details with respect to the entity holding such capital asset should be duly informed to the CSR Committee in accordance with the CSR Rules.

Apart from receiving utlisation certificates / progress reports, the representatives of the Company shall carry out site visits / field visits on periodic basis. Further, the Company can engage a third party for monitoring the same and shall carry out impact assessment, either directly or by engaging independent agency, in accordance with the Act and the CSR Rules.

ANNUAL ACTION PLAN

The CSR Committee shall formulate and recommend to the Board of Directors, an Annual Action Plan in pursuance of this Policy, which shall include focus areas for the year, the list of projects to be undertaken, manner of execution, fund utilisation, monitoring mechanism, etc.

The Board of Directors may approve the Annual Action Plan with such further conditions as it deems fit and may alter Annual Action Plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

INFORMATION DISSEMINATION

The composition of the CSR Committee, CSR Policy and Projects, as approved by the Board should be uploaded on the website of the Company. The Company's engagement in CSR Activities may also be disseminated through the media. An Annual CSR Report will be included in the Board's Report forming part of the Annual Report.

AMENDMENTS

Amendments from time to time to the CSR Policy, if any, shall be considered by the Board of Directors of the Company, based on the recommendations of the CSR Committee. Any amendments in the Applicable Law, including any clarifications/ circulars of relevant regulator, if mandatory, shall be read with this Policy such that the Policy shall automatically reflect the contemporaneous Applicable Law at the time of its implementation.

Annexure V to the Board's Report

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Code of Governance

Corporate Governance refers to, but not limited to, a set of laws, regulations and good practices & systems that enable an organisation to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. Sound governance practices and responsible corporate behaviour contribute to superior long term performance of organisations. Corporate Governance requires everyone to raise their level of competency and capability to meet the expectations in managing the enterprise and its resources optimally with prudent ethical standards.

The Company recognises that good corporate governance is a continuous exercise. Adherence to transparency, accountability, fairness and ethical standards are an integral part of the Company's function. The Company's structure, business dealings, administration and disclosure practices are aligned to good corporate governance philosophy. The Company has an adequate system of control in place to ensure that the executive decisions taken should result in optimum growth and development which benefits all the stakeholders. The Company also aims to increase and sustain its corporate values through growth and innovation.

Date of Report

The information provided in this Report on Corporate Governance is as on 31st March, 2023 for the purpose of unanimity. Some of the information is updated as on the date of the report, wherever applicable.

Board of Directors

The Company recognises the importance of a diverse board in its success. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "Listing Regulations") mandates a Company which does not have a regular non-executive chairperson to have at least half of the Board of Directors to be comprised of Independent Directors. As on 31st March, 2023 the Board comprises of 7 (seven) directors, of which 2 (two) are EDs, 5 (five) are Non-executive Directors with 4 being Independent Directors. The composition of the Board is in conformity with the requirements of Regulation 17(1) of the Listing Regulations.

The composition of the Board of Directors, the number of other committees of which a director is a Member/ Chairperson and the attendance of each director at the Board Meetings and the last Annual General Meeting (AGM) of the Company were as follows:

Name of the Directors and Category	No. of membership on Board committees including the Company^	No. of chairmanship on Board committees including the Company^	No. of Board meetings attended during the year 2022-23	Attendance at last AGM held on 27th August, 2022
Mr. Vivek Saraogi (Chairman and Managing Director) (PE)	1	0	6	Yes
Mr. D. K. Mittal (ID)	9	3	7	Yes
Mr. Krishnava Dutt (ID)	5	3	7	No
Dr. Arvind Krishna Saxena (Whole-time Director) (NPE) (ceased with effect from closure of business hours of 31.07.2022)	0	0	2	NA
Mr. Praveen Gupta (Whole-time Director) (NPE) (appointed with effect from 01.07.2022)	0	0	4	Yes
Mr. Naresh Dayal (NED)	1	0	7	No
Ms. Veena Hingarh (ID)	3	1	7	Yes
Ms. Mamta Binani (ID)	4	0	5	Yes

ID- Independent, Non-Executive; PE- Promoter, Executive; NPE- Non-Promoter, Executive; NED- Non-Independent, Non-Executive

The Committee positions are based on the latest disclosures received by the Company.

^Only membership/chairmanship of the Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies have been considered.

The Independent Directors of the Company have confirmed that they meet the criteria for "independence" and / or "eligibility" as prescribed under the Listing Regulations and Section 149 of the Companies Act, 2013 (as amended) (the "Act") and in the opinion of the Board, the independent directors of the Company fulfill the conditions specified under the Listing Regulations and are independent of the management. None of the directors of the Company are related to each other. The Company is in compliance with the provisions regarding Board, its composition and committees under the Act and Listing Regulations.

During the Financial Year 2022-23, Mr. Vivek Saraogi was appointed as the Chairman and Managing Director of the Company with effect from 24th May, 2022.

The Board of Directors of the Company at its meeting held on 30th June, 2022 appointed Mr. Praveen Gupta as an Additional and Whole-time Director of the Company for a period of 3 years with effect from 1st July, 2022 to 30th June, 2025. The said appointment was approved by the Shareholders of the Company at its Annual General Meeting held on 27th August, 2022.

Further, Mr. A. K. Saxena has ceased to be the Whole time Director of the Company with effect from closure of the business hours of 31st July 2022. Mr. Saxena's cessation as director was due to completion of his term.

As required under Para C of Schedule V to the Listing Regulations, based on the latest disclosures received by the Company, following are the number of other directorships and the names of the listed entities where the directors of the Company are also a director and the category of their directorships therein:

Name of the Directors	No. of Directorships@	Directorships and its category in listed entities
Mr. Vivek Saraogi	1	Balrampur Chini Mills Limited (PE)
Mr. D. K. Mittal	9	Balrampur Chini Mills Limited (ID)
		Bharti Airtel Limited (ID)
		Trident Limited (ID)
		Max Ventures and Industries Limited (ID)
		Max Financial Services Limited (ID)
Mr. Krishnava Dutt	5	Balrampur Chini Mills Limited (ID)
		Tata Metaliks Limited (ID)
		TRF Limited (ID)
		The Tinplate Company of India Limited
Mr. Praveen Gupta	1	Balrampur Chini Mills Limited (NPE)
Mr. Naresh Dayal	1	Balrampur Chini Mills Limited (NED)
Ms. Veena Hingarh	2	Balrampur Chini Mills Limited (ID)
Ms. Mamta Binani	8	Balrampur Chini Mills Limited (ID)
		Emami Limited (ID)
		GPT Infraprojects Limited (ID)
		Skipper Limited (ID)
		Emami Paper Mills Limited (ID)
		Ddev Plastiks Industries Limited (ID)

ID- Independent, Non-Executive; PE- Promoter, Executive; NPE- Non-Promoter, Executive; NED- Non-Independent, Non-Executive

@ Excludes memberships of the managing committee of various chambers/bodies, directorships in private limited companies, foreign companies, companies registered under section 8 of the Act and alternate directorships.

None of the directors on the Board of the Company is a member of more than 10 committees or Chairperson of more than 5 committees, reckoned in terms of Regulation 26 of the Listing Regulations. The Independent Directors of the Company do not serve in more than the prescribed number of companies as independent directors in terms of the requirements of the Listing Regulations.

The Board has devised proper system to ensure compliance with the provisions of all applicable laws and periodically reviewed the compliance reports of all laws applicable to the Company and necessary steps were taken to ensure the compliance in letter and spirit.

The Board of Directors of the Company met 7 (Seven) times during the Financial Year 2022-23. Atleast one meeting of the Board was held in every quarter and the time gap between any two consecutive Board meetings did not exceed 120 days during the Financial Year 2022-23. The details are as follows:

Sl. No.	Date of Board Meetings	Board Strength (No. of Directors)	No. of Directors Present	No. of Independent Directors Present
1.	24-05-2022	7	7	4
2.	30-06-2022	7	7	4
3.	04-08-2022	7	7	4
4.	29-09-2022	7	5	4
5.	09-11-2022	7	6	3
6.	11-02-2023	7	7	4
7.	21-03-2023	7	5	3

The Directors were offered option to access the complete agenda for meetings along with all relevant annexures and other important information on their respective i-Pads/ tablets/ laptops through a software platform that allows secured log in and access to data on the device in online and offline modes as well as functionality to make private notes and comments ahead of the meetings and many other advanced features.

Core Skills / Expertise / Competencies available with the Board of Directors of the Company

In pursuance of Para C (2), Schedule V to the Listing Regulations, the Board of Directors of the Company has identified the following core skills/expertise/competencies that are desirable for the Company to function effectively in the context of the business of the Company:

Technical skills/experience	Industry knowledge/experience
Accounting and Finance	Industry Experience
Information Technology	Industry Knowledge
Statutory Compliance	Understanding of relevant laws, rules, regulation and policy
Risk Management	Economics
Business Planning and Strategy	**Behavioural Competencies**
Auditing	Interpersonal Relations
Human Resource Management	Leadership
Engineering and Technology	
Corporate Affairs	
Agri Research & Development	

The Board of the Company comprises of qualified members who possess required skills, expertise and competencies (as given below) that allow them to make effective contributions to the Board and its Committees.

Name of the Director	Area of skills/expertise/competencies
Mr. Vivek Saraogi	Industry Experience; Industry knowledge; Understanding of relevant laws, rules, regulation and policy; Economics; Accounting and Finance; Statutory Compliance; Risk Management; Business Planning and Strategy; Auditing; Human Resource Management; Engineering and Technology; Corporate Affairs; Agri - Research & Development; Interpersonal relations; Leadership
Mr. D. K. Mittal	Industry knowledge; Understanding relevant laws, rules, regulation and policy; Economics; Accounting and Finance; Statutory Compliance; Risk Management; Business Planning and Strategy; Human Resource Management; Corporate Affairs; Agri Research & Development; Interpersonal relations; Leadership; Information Technology; Auditing
Mr. Krishnava Dutt	Understanding of relevant laws, rules regulation and policy; Corporate Affairs; Interpersonal relations; Leadership

Name of the Director	Area of skills/expertise/competencies
Mr. Naresh Dayal	Industry knowledge; Understanding of relevant laws, rules, regulation and policy; Economics; Statutory Compliance; Business Planning and Strategy; Human Resource Management; Corporate Affairs; Agri - Research & Development; Interpersonal relations; Leadership
Ms. Mamta Binani	Understanding of relevant laws, rules, regulation and policy; Economics; Accounting and Finance; Statutory Compliance; Risk Management; Business Planning and Strategy; Corporate Affairs; Interpersonal relations; Leadership
Ms. Veena Hingarh	Industry Experience; Accounting and Finance; Information Technology; Statutory Compliance; Auditing; Interpersonal relations; Leadership; Risk Management; Human Resource Management; Corporate Affairs
Mr. Praveen Gupta	Industry Experience; Industry knowledge; Understanding of relevant laws, rules, regulation and policy; Engineering and Technology; Leadership; Interpersonal Relations; Business Planning and Strategy

Board Training and Familiarisation Programme

In terms of Regulation 25 of the Listing Regulations, the Company is required to conduct various programmes for the Independent Directors of the Company to familiarise them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

Familiarization programmes are conducted for Independent Directors accordingly. Presentations are also made at the Board meetings which facilitates them to understand the various aspects of the business/sector of the Company and the environment in which the Company operates. Further, they are periodically updated on material changes in regulatory framework and its impact on the Company.

The details of such programmes for familiarisation of the Independent Directors are put on the website of the Company at the following web-link:

https://chini.com/sustainability/governance/policies/

Independent Directors' Separate Meeting

Schedule IV to the Act and the Listing Regulations mandates the Independent Directors of the Company to hold at least one meeting in every financial year, without the attendance of non- independent directors and members of the management. During the year ended 31st March, 2023, the Independent Directors met on 21st May, 2022, inter alia, to review performance of Non-Independent Directors & the Board as a whole, to review performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

Lead Independent Director

Although not mandatory, the Board has appointed Mr. D. K. Mittal, Independent Director and Chairperson of Audit Committee, Nomination & Remuneration Committee and Risk Management Committee as the Lead Independent Director. The Lead Independent Director provides leadership to the Independent Directors and liaisons between the Independent Directors and the Management / Board / Shareholders.

Code of Conduct

Regulation 17(5) of the Listing Regulations requires every listed company to have a Code of Conduct for its directors and senior management. Further, Schedule IV of the Act requires the appointment of an Independent Director to be formalised through a letter of appointment, which shall set out the Code for Business Ethics that the Company expects its directors and employees to follow. The said Schedule also requires the Independent Directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

In terms of the above, there exists a comprehensive Code of Conduct for all Directors, Senior Management Personnel and all other employees of the Company and the same is available on the website of the Company at the following web-link: https://chini.com/ sustainability/ governance/ policies/

All Directors and Senior Management Personnel have affirmed compliance with the Code for the Financial Year 2022-23. A declaration to this effect signed by the Chairman and Managing Director is annexed to this Report.

Board Committees

The Board has constituted various committees consisting of Executive and Non-Executive Directors of the Company to meet various mandatory requirements of the Act and the Listing Regulations as well as to perform other critical functions. Currently, the Board has 7 (seven) committees, viz., Audit Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee, Environment, Social and Governance (ESG) Committee and Executive Committee. The compositions of the said committees have also been disclosed on the website of the Company. The Company Secretary acts as the Secretary to all the Committees of the Board.

Audit Committee

The Board of Directors of the Company has constituted a qualified and independent Audit Committee that acts as a link between the management, the Statutory Auditors, Internal Auditors and the Board.

Terms of Reference

The terms of reference of the Audit Committee are in conformity with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. Terms of reference of the Audit Committee, inter alia, includes:

I. Overseeing the financial reporting process, review of financial statements;
II. Ensuring compliance with the regulatory guidelines;
III. Review of internal audit reports;
IV. Recommending appointment and remuneration of auditors to the Board of Directors and to review adequacy of internal control systems and internal audit function and
V. Other matters specified for Audit Committee under the Listing Regulations and the Act.

The Audit Committee also reviews information as per the requirements of Part C of Schedule II to the Listing Regulations.

Composition, Meetings and Attendance

The composition of the Audit Committee is in accordance with the provisions of the Act and Regulation 18 of the Listing Regulations.

The Audit Committee comprised of 4 (four) directors consisting of 3 (three) Independent Directors and 1(one) Non-Executive Non- Independent Director. All the members of the Audit Committee are financially literate and half of them are having accounting or related financial management expertise. Mr. D. K. Mittal acts as the Chairman of the Committee. The Chairman of the Committee is an Independent (Non-Executive) Director, nominated by the Board. The Committee meetings were attended by the Statutory Auditors, the Chairman and Managing Director and the Chief Financial Officer of the Company as invitees. The Committee also invited the representatives of Internal Auditors for obtaining valuable guidance from their expertise in best practices in Internal Audit. The Cost Auditors were also invited whenever Cost Audit related matters were considered. The minutes of the Audit Committee meetings were circulated to the Board, discussed and taken note of. All recommendations made by the Audit Committee during the year were accepted by the Board.

At least one meeting of the Audit Committee was held in every quarter and the time gap between any two consecutive meetings of the Audit Committee did not exceed 120 days during the year 2022-23. During the year ended 31st March, 2023, 6 (Six) Audit Committee meetings were held on 16th April, 2022; 24th May, 2022; 4th, August, 2022; 29th September, 2022; 9th November, 2022; 11th February, 2023.

The details of composition, meetings and attendance of the members of the Audit Committee are as follows:

Sl. No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Mr. D. K. Mittal	Independent Director	Chairman	6
2.	Mr. Krishnava Dutt	Independent Director	Member	6
3.	Ms. Mamta Binani	Independent Director	Member	5
4.	Mr. Naresh Dayal	Non-Executive Non - independent Director	Member	6

Mr. D. K. Mittal, the Chairman of the Audit Committee was present at the last Annual General Meeting of the Company to answer the queries related to accounts to the satisfaction of the shareholders.

Nomination & Remuneration Committee

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee cover all the areas mentioned under Regulation 19 of the Listing Regulations and Section 178 of the Act. The broad terms of reference of the Committee includes:

I. To formulate the criteria for determining qualifications, positive attributes and independence of a Director;
II. To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel, and other employees of the Company;
III. To identify persons who are qualified to become directors and who may be appointed in senior management;

IV. To recommend the remuneration payable to Senior Management;

V. To extend or continue the term of appointment of the Independent Director, on the Basis of the report of performance evaluation;

VI. To evaluate the performance of all Directors.

Composition, Meetings and Attendance

As on 31st March, 2023, the Nomination & Remuneration Committee comprised of 3 (three) Non-Executive Directors, two of whom are Independent Directors.

During the year ended 31st March, 2023, 5 (five) Nomination & Remuneration Committee meetings were held on 21st May, 2022; 30th June, 2022; 09th November, 2022; 11th February, 2023 and 21st March, 2023.

The details of the composition, meetings and attendance of the members of the Nomination & Remuneration Committee are as follows:

Sl. No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Mr. D. K. Mittal	Independent Director	Chairman	5
2.	Mr. Naresh Dayal	Non-Executive Non-Independent Director	Member	5
3.	Ms. Veena Hingarh	Independent Director	Member	5

Mr. D. K. Mittal, the Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting of the Company to answer the queries of the shareholders.

Remuneration Policy

The Policy on Selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors is annexed to the Board's Report and is also available on the Company's website at the following web-link: https://chini.com/sustainability/governance/policies/

The Non-Executive Directors do not have any pecuniary relationship/transaction with the Company in their personal capacity other than Commission (not exceeding the limits prescribed under the Companies Act, 2013) and Sitting Fees and reimbursement of expenses for attending meetings of the Board and Committees thereof. During the year, the Sitting Fees payable to the Directors were increased as mentioned herein below with effect from 10th November, 2022:-

Meeting	Sitting Fees (in ₹) From 1st April, 2022 till 9th November, 2022	Sitting Fees (in ₹) From 10th November, 2022 onwards
Board Meeting	40,000	60,000
Audit Committee Meeting	40,000	50,000
Nomination & Remuneration Committee Meeting	20,000	30,000
Risk Management Committee Meeting	20,000	30,000
Environment Social Governance Committee Meeting	20,000	30,000
Corporate Social Responsibility Committee Meeting	20,000	30,000
Independent Directors Separate Meeting	20,000	30,000
Stakeholders' Relationship Committee Meeting	20,000	25,000
Executive Committee Meeting	20,000	25,000

The aggregate annual commission payable to the Non-Executive Directors is upto one percent of the net profit of the Company or ₹125 Lakhs (effective from 1st April, 2019), plus applicable taxes, whichever is lower, in such proportion and manner as fixed by the Board of Directors. During the year, the Board has formulated a matrix for payment of commision based on engagement of Non-Executive Directors at Board and Committee level. The Annual performance linked Incentive payable to the Chairman and Managing Director is at the range of 0.75% to 1.25% of the Net Profit of the Company for each Financial Year as may be decided by the Nomination & Remuneration Committee and the Board, which shall not exceed 150% of the basic pay for the financial year (together with other remuneration) is well within the limit as prescribed under the Act.

Details of remuneration paid / payable to the Directors for the year ended 31st March, 2023 and their shareholding as on that date are as under:

Name of the Directors	Salary (₹ in Lakhs)	Perquisites / Benefits (₹ in Lakhs)	Bonus (₹ in Lakhs)	Annual performance linked Incentive (₹ in Lakhs)	Commission (₹ in Lakhs)	Sitting Fees (₹ in Lakhs)	Total (₹ in Lakhs)	Service Contract/Notice period/ Severance Fees	Shareholding (Equity) (No.)
Mr. Vivek Saraogi	360.00	45.13	-	296.00	-	-	701.13	Re-appointed upto 31.03.2027. No notice period and no severance fees.	41158544
Mr. D. K. Mittal	-	-	-	-	31.90	7.80	39.70	Re-appointed as Independent Director from 01.04.2019 to 31.03.2024.	2100
Mr. Krishnava Dutt	-	-	-	-	20.90	6.75	27.65	Re-appointed as Independent Director from 01.04.2019 to 31.03.2024	Nil
Mr. Praveen Gupta	63.82	6.61	-	-	-	-	70.43	Appointed for a period of 3 years with effect from 1st July, 2022. Liable to retire by rotation.	Nil
Mr. Naresh Dayal	-	-	-	-	22.00	8.00	30.00	Liable to retire by rotation.	Nil
Ms. Veena Hingarh	-	-	-	-	17.60	6.45	24.05	Appointed as an Independent Director from 31.08.2019 to 30.08.2024	Nil
Ms. Mamta Binani	-	-	-	-	17.60	7.95	25.55	Appointed as an Independent Director from 05.11.2020 to 04.11.2025	Nil
Dr. Arvind Krishna Saxena	12.26	2.42	-	-	-	-	14.68	Ceased to be Wholetime Director from closure of business hours, dated 31st July, 2022.	N.A

Note – The Company's contributions to provident fund have been shown under head 'Benefits' in the above Table. Sitting Fees and Commission are net off GST. None of the Directors of the Company hold any convertible instruments of the Company. The Company has not issued any stock options.

Other terms and conditions of appointment of the Independent Directors have been disclosed on the website of the Company at the following web-link:

https://chini.com/sustainability/governance/policies/

Succession Planning

The Board on the recommendation of the Nomination & Remuneration Committee has formulated a Policy on Succession Plan for the Board and Senior Management.

Performance Evaluation and Criteria

Pursuant to the Section 178 of the Act and the Listing Regulations, the Nomination & Remuneration Committee (NRC) has specified the manner and the criteria for performance evaluation of the Board, its Committees and Individual Directors (including Independent Director). Accordingly, the Board has carried out the performance evaluation of its own performance and that of its Committees as well as evaluation of performance of the Directors individually. The performance evaluation of the Independent Directors was also carried out by the entire Board (excluding the director being evaluated). The indicative criteria on which evaluation was carried out includes, Degree of fulfilment of key responsibilities, Board structure and composition, Effectiveness of Board processes, information and functioning, Attendance (captured from records of meetings), Contribution, Guidance/ support to management / Committee meetings, Quality of relationship of the committee with the Board and the management, etc.

The performance evaluation of the Board, its Chairman and the Non-Independent Directors were carried out by the Independent Directors. The NRC also reviewed the implementation of the criteria specified for performance evaluation and also formulated its feedback for supporting the Board in carrying out such evaluation of the performance. The evaluation of performance for the Financial Year 2022-23 was carried out through structured questionnaires (based on various aspects of the Board's functioning, composition, its committees, culture, governance, execution and performance of statutory duties and obligations). The questionnaire covers all aspects prescribed by SEBI vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017. The Board expressed its satisfaction with the evaluation process and its results thereof.

Risk Management Committee

In compliance with Regulation 21 of the Listing Regulations, the Board of Directors of the Company has a Risk Management Committee (RMC) to review, in particular, the Risk Management Policy of the Company, the effectiveness and adequacy of the Risk Management Systems of the Company, including cyber security, etc. Further, the Risk Management Policy has been amended and renamed as "Risk Management Framework & Policy" during the year, wherein the risk management framework has been articulated in detail.

Terms of Reference

The terms of reference of Risk Management Committee are in conformity with the requirements of Regulation 21 of the Listing Regulations. Pursuant to the changes in Regulation 21 and Schedule II to the Listing Regulations, Board of Directors of the Company at its meeting held on 1st June, 2021 has revised the terms of reference of RMC which, inter alia, includes:

I. Formulation of a detailed risk management policy which shall include:
   a) framework 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;
   b) Measures for risk mitigation including systems and processes for internal control of identified risks;
   c) Business continuity plan

II. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

III. Periodic review of Risk Management Policy;

IV. Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

Composition, Meetings and Attendance

As on 31st March, 2023, RMC comprised of 4 (four) directors, all of whom are Non-Executive, Independent Directors except Mr. Naresh Dayal, who is a Non-Executive Non-Independent Director. During the year ended 31st March, 2023, 2(two) RMC meetings were held on 29th July, 2022 and 09 November, 2022. The composition and attendance of the members of the RMC are as follows:

Sl. No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Mr. D. K. Mittal	Independent Director	Chairman	2
2.	Mr. Krishnava Dutt	Independent Director	Member	2
3.	Mr. Naresh Dayal	Non-Executive Non-Independent Director	Member	2
4.	Ms. Veena Hingarh	Independent Director	Member	2

Executive Committee

The Executive Committee, constituted by the Board of Directors of the Company met 23 (Twenty Three) times at meetings which were held on 14th April, 2022; 30th April, 2022; 16th May, 2022; 26th May, 2022; 16th June, 2022; 30th July, 2022; 18th August, 2022; 31st August, 2022; 15th September 2022; 28th September, 2022; 20th October, 2022; 10th November, 2022; 30th November, 2022; 7th December, 2022; 22nd December, 2022; 21st January, 2023; 4th February, 2023; 7th February, 2023; 15th February, 2023; 27th February, 2023; 10th March, 2023; 24th March, 2023; 29th March, 2023 during the Financial Year 2022-23.

The terms of reference of the said Committee, inter alia, includes the following:

I. To approve and/or authorise opening of bank accounts, cash credit, current, dividend payment or otherwise and to give instructions relating to such banking accounts.

II. To approve and/or authorise opening of Demat Accounts, Trading Accounts and to give instructions relating to such accounts.

III. To borrow money/monies, from time to time, for the purpose of the Company, from banks / Financial Institutions.

IV. To authorise affixation of the Company's Common Seal.

V. To confer signing powers and authorities on such officers and employees of the Company as deemed fit for various operational and statutory matters.

VI. To perform such other function as may be delegated by the Board of Directors from time to time.

VII. To deal with the various aspects of interest of shareholders of the Company.

During the financial year, Dr. A. K. Saxena ceased to the member of Executive Committee consequent to his completion of tenure from the office of Whole Time Director of the Company with effect from close of business hours of 31st July, 2022.

The details of the composition and attendance of the members of the Executive Committee are as follows:

Sl. No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Ms. Mamta Binani	Independent Director	Member	16
2.	Mr. Vivek Saraogi	Promoter, Executive	Member	23
3.	Mr. Praveen Gupta #	Non-Promoter, Executive	Member	15
4.	Dr. A. K. Saxena ^	Non-Promoter, Executive	Member	1

From 04.08.2022

^Upto 30.07.2022

(Note: The Committee doesn't have a regular Chairman)

Corporate Social Responsibility (CSR) Committee

Pursuant to the provisions of the Act, the CSR Committee is required to recommend the amount of expenditure to be incurred for undertaking CSR activities by the Company in terms of the Corporate Social Responsibility Policy. It also monitors the CSR Policy of the Company from time to time. During the year ended 31st March, 2023, 3 (three) CSR Committee meetings were held on 21st May, 2022, 09th November, 2022 and 21st March, 2023. The terms of reference of CSR Committee are in conformity with the requirements of the Act which, inter alia, includes:

I. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act.

II. To recommend the amount of expenditure to be incurred on the activities as mentioned above and

III. To monitor the Corporate Social Responsibility Policy of the Company from time to time.

The composition and attendance of the members of the CSR Committee are as follows:

Sl. No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Mr. Naresh Dayal	Non-Independent, Non-Executive	Chairman	3
2.	Ms. Veena Hingarh	Independent, Non-Executive	Member	3
3.	Mr. Vivek Saraogi	Promoter, Executive	Member	2

Stakeholders Relationship Committee

The Company has Stakeholders' Relationship Committee in pursuance of Section 178 of the Act and Regulation 20 of the Listing Regulations.

Terms of Reference

The terms of reference of Stakeholders' Relationship Committee (SRC) are in conformity with the requirements of Section 178 of the Act and Regulation 20 read with Para B, Part of D of Schedule II to the Listing Regulations which, inter alia, includes:

I. Considering and resolving the grievances of security holders of the company;

II. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

III. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by RTA;

IV. Reviewing 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.

Composition, Meetings and Attendance

The Committee comprises of three members, two Independent Directors and one Promoter, Executive Director. During the year ended 31st March, 2023, 2(Two) SRC meeting was held on 4th August, 2022 and 11th February, 2023. The composition and attendance of the members of the SRC are as follows:

Sl. No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Mr. Krishnava Dutt	Independent, Non-Executive	Chairman	2
2.	Mr. Vivek Saraogi	Promoter, Executive	Member	2
3.	Ms. Veena Hingarh	Independent, Non-Executive	Member	2

Environment, Social and Governance Committee

In view of the emerging importance of Environmental, Social, and Governance (ESG), the Board of Directors of the Company at its meeting held on 30th June, 2022 constituted an Environmental, Social, and Governance (ESG) Committee ("the Committee") of the Company with effect from 1st July, 2022.

Terms of Reference

The terms of reference of ESG Committee inter alia, includes:

I. Oversee the development of the ESG strategy;

II. Identify the relevant ESG matters that do or are likely to affect the operation of the Company and/or its strategy;

III. Work in conjunction with the Risk Committee to oversee the identification and mitigation of risks relating to ESG, as well as the identification of opportunities related to ESG matters;

IV. Oversee the establishment of ESG policies and codes of practice and their effective implementation, and monitor and review their ongoing relevance, effectiveness, and further development;

V. Oversee the Company's engagement with its broader stakeholder community;

VI. Review the Business Responsibility and Sustainability Report (BRSR) mandated by SEBI and any other statutory requirements for Sustainability reporting.

Composition, Meetings and Attendance

The Committee comprises of four members, two Independent Directors and two Executive Directors. During the year ended 31st March, 2023, 1(one) ESG Committee meeting was held on 11th February, 2023. The composition and attendance of the members of the ESG Committee are as follows:

Sl. No.	Name of the Directors	Category	Position	No. of meetings attended
1.	Mr. Vivek Saraogi	Promoter, Executive	Chairman	1
2.	Mr. D. K. Mittal	Independent, Non-Executive	Member	1
3.	Ms. Veena Hingarh	Independent, Non-Executive	Member	1
4.	Mr. Praveen Gupta	Non-Promoter, Executive	Member	1

Compliance Officer

The Board has designated Mr. Manoj Agarwal, Company Secretary as the Compliance Officer.

Details of Shareholders' complaints

A total of 14 (Fourteen) complaints were received and replied to the satisfaction of the shareholders during the year ended 31st March, 2023. There were no outstanding complaints as on 31st March, 2023.

Nature of Complaints:

Description	Received and resolved during the Year
Non-receipt of securities	3
Non receipt of dividend	8
SEBI / Stock Exchange Complaints	3
Total	**14**

The Company supports SCORES by using it as a platform for communication between SEBI and the Company. Also there are no pending complaints on the SCORES platform.

General Body Meetings

Details of the last three Annual General Meetings are given below:

Accounting Year	Day & Date	Venue	Time	Special Resolution passed
2019-20	22.09.2020	Video Conferencing	4.00 P.M.	Re-appointment of Mr. Sumit Mazumder (DIN: 00116654) as an Independent Director of the Company to hold office for his second term of five consecutive years with effect from 1st May, 2021 to 30th April, 2026 and approval for continuation of Mr. Mazumder as an Independent Director of the Company from the day he attains the age of 75 years till the remaining period of his second term, i.e. upto 30th April, 2026.
2020-21	13.09.2021	Video Conferencing	4.00 P.M.	None
2021-22	27.08.2022	Video Conferencing	3:30 P.M.	Appointment of Mr. Praveen Gupta (DIN: 09651564) as the Whole-time Director of the Company for a term of three (3) years with effect from 1st July, 2022 to 30th June, 2025.

Details of Special Resolution passed through Postal Ballot

Post completion of the Financial year ended 31st March, 2023, the following special resolution was passed through postal ballot:-

Approval of "BCML Employees Stock Appreciation Rights Plan 2023" ("ESAR 2023"/ "Plan").

The Board of Directors of the Company at its meeting held on 21st March, 2023 had appointed CS Mohan Ram Goenka (Membership No.: FCS 4515, CP No.: 2551) of M/s. MR & Associates, Company Secretaries, as the scrutinizer (the "Scrutinizer") for conducting Postal Ballot (by remote e-voting) process in a fair and transparent manner.

The Postal ballot were conducted in compliance with Section 108 and 110 of the Companies Act, 2013 read with rule 20 and 22 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015 and other circulars of SEBI and Ministry of Corporate Affairs.

The Scrutinizer submitted his report on postal ballot by remote e-voting process to Mr. Manoj Agarwal, Company Secretary & Compliance Officer (as per the authorization of the Company) on 24th April, 2023. The details of voting of the Special Resolution as set out in Postal Ballot Notice dated 21st March, 2023 is as under:

Approval of "BCML Employees Stock Appreciation Rights Plan 2023" ("ESAR 2023"/ "Plan")

Particulars	Number of Votes
Votes in favour of the Resolution	14,47,40,583
Votes against the Resolution	36,438

On the basis of the Report of the Scrutinizer, Mr. Manoj Agarwal, Company Secretary & Compliance Officer of the Company, declared the results of Postal Ballot.

The Special Resolution as Item no. 1 as set out in Postal Ballot Notice dated 21st March, 2023 was duly approved by the Members with a majority 99.97% on Sunday, 23rd April, 2023 (i.e. last date for remote e-voting).

No other Special Resolution was passed through Postal Ballot during the year under review.

Means of Communication

The full format of the results were filed with the Stock Exchanges on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (the Listing Centre) and were available on the Stock Exchange websites-www.nseindia.com and www.bseindia.com. The extracts of the said financial results were published in the leading English and Bengali newspapers such as Business Standard (All editions) and Arthik Lipi.

The financial results, official news releases, presentations made to Institutional Investors and Analysts, concall transcripts with Analysts / Investors are hosted on the Company's website www.chini.com.

Apart from electronic copies of the Annual Report and Notices of the Annual General Meeting / Postal Ballot, etc., the Company sends quarterly individual communication regarding its performance to those shareholders whose email addresses are registered with the Company / Depository Participant(s).

Website

The Website of the Company (www.chini.com) provides ease of access to the required information to all the stakeholders. The website carries a comprehensive database of information of interest to the investors including the financial results of the Company, dividend declared, unclaimed dividend list, shareholding pattern, any price sensitive information disclosed to the regulatory authorities from time to time, credit rating investor presentations and business activities of the Company. Besides, content placement and communication of key updates, the announcements have been strategically structured and placed on the website for the ease of navigability of the viewers. Further for ease of investors, real time price of the Company's share in both BSE and NSE is also displayed in the website. The Company has a Sustainability Tab dedicated for Environment, Social/CSR and Governance (ESG) issues which investors needs to be updated upon. An ESG profile of the Company with various sub-factors have also been made available for download directly from the website.

General Shareholders' Information

Annual General Meeting (AGM) and Book Closure Dates

The Day, Date, Time and Venue of the 47th Annual General Meeting and Book Closure Dates are given below:

Accounting Year	Day & Date	Venue	Time	Book Closure Dates
2022-23	Saturday, 19th August, 2023	through video conferencing (VC) or other audio visual means (OAVM)	3.30 PM (IST)	Sunday, 13th August, 2023 to Saturday, 19th August, 2023 (both days inclusive)

Financial Year

The financial year of the Company is from 1st April to 31st March every year.

Financial year calendar for 2023-24 (Tentative)

Results for the quarter ending 30th June, 2023	1st week of August, 2023
Results for the quarter ending 30th September, 2023	1st week of November, 2023
Results for the quarter ending 31st December, 2023	1st week of February, 2024
Results for the quarter ending/Annual 31st March, 2024	3rd week of May, 2024

Dividend payment date

During the financial year ended 31st March, 2023, the Board of Directors of the Company at its meeting held on 11th February, 2023 had approved payment of Interim Dividend @ ₹2.50 per share (250%) to those shareholders/beneficiaries whose names appeared in the register of members/beneficial owners as on 22nd February, 2023 and the same was paid on and from 06th March, 2023. The Board has not proposed any final dividend for the Financial Year ended 31st March, 2023 and accordingly, the interim dividend paid during the year shall be treated as final dividend.

Details of Listing of Equity Shares and Stock Code

National Stock Exchange of India Ltd.	BSE Ltd.
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai 400 051.	PJ Towers, Dalal Street, Fort, Mumbai 400 001
Symbol: BALRAMCHIN	Scrip Code: 500038

Listing Fees

Listing fee for the year 2023-24 has been paid to each of the above named stock exchanges.

Depositories

National Securities Depository Ltd.	Central Depository Services (India) Ltd.
Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013	Marathon Futurex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel, Mumbai - 400013.

ISIN

INE119A01028 (Equity Shares)

Reuters Code

NSE – BACH.NS and BSE – BACH.BO

Market Price Data (Face value of ₹1 each)

NSE		Months	BSE	
High (₹)	Low (₹)		High (₹)	Low (₹)
525.90	440.15	April, 2022	525.70	440.50
457.35	347.10	May, 2022	457.35	347.00
418.00	337.10	June, 2022	417.95	337.25
399.40	331.00	July, 2022	399.00	331.10
404.50	329.00	August, 2022	404.15	329.00
385.90	335.15	September, 2022	385.85	335.45
367.00	307.30	October, 2022	366.95	306.80
385.35	313.05	November, 2022	385.20	313.30
414.90	363.40	December, 2022	414.85	363.20
407.00	358.75	January, 2023	406.90	358.80
382.95	349.30	February, 2023	382.55	349.50
408.95	356.30	March, 2023	408.80	355.15

Stock Performance in comparison to broad based indices

Financial year	NSE 50 NIFTY		S&P BSE SENSEX	
	Change in BCML share price	Change in Nifty	Change in BCML share price	Change in SENSEX
2022-23	(19.14)%	(0.60)%	(19.17)%	0.72%

Credit Ratings

Pursuant to Para C (9) of Schedule V to the Listing Regulations, details of the current credit rating profile of the Company are given below:

Facilities	Rating Agency	Rating
Long-term Limit	CRISIL	AA+/Stable
Short-term Limit	CRISIL	A1+
Commercial Papers	CRISIL	A1+
Non- Convertible Debentures	CRISIL	AA+/Stable

During the year ended 31st March, 2023, CRISIL (the Credit Rating Agency) has reaffirmed the long-term ratings to CRISIL AA+/Stable and short-term rating as CRISIL A1+. Further, CRISIL has also rated Company's Non-Convertible Debentures as CRISIL AA+ /Stable.

The letters assigning the aforesaid credit ratings and any revision thereof issued by the Rating Agencies are available on the website of the Company under the section "Investors".

Registrar and Share Transfer Agent

KFin Technologies Limited

Kolkata Office:	Hyderabad Office:
Kankaria Centre,	Selenium Tower B, Plot No. 31-32,
2/1 Russel Street ,4th Floor	Gachibowli, Financial District, Hyderabad -500032
Kolkata - 700071	Toll Free No.1800-345-4001
Ph. No - 033-66285900	Email: einward.ris@kfintech.com
	Website: www.kfintech.com

Share Transfer System

Pursuant to the directive of the Securities and Exchange Board of India (SEBI), Physical transfer of shares has been dispensed with. In reference to SEBI Circular dated 25th January, 2022, the Security holder/Claimant shall submit duly filled up Form ISR-4 for processing of service request related to transmission, transposition, consolidation/sub-division/ endorsement of share certificate, issue of duplicate share certificate along with requisite documents. The Company/RTA shall issue letter of confirmation after processing the service requests which shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities. The Form ISR-4 is available on the website of the Company and can be downloaded therefrom.

Shareholding Pattern as on 31st March, 2023

Category	No. of Shares	% of Holding
Promoters' Holding (A)	**86545753**	**42.90**
Public Shareholding (B)		
Mutual Funds, Banks and NBFCs	30911129	15.32
Corporate Bodies	7338389	3.64
NRIs	2071178	1.03
Trusts	14967	0.01
Foreign Portfolio Investor (Corporate)	27269881	13.52
Indian Public	35601450	17.65
Qualified Institutional Buyer and Alternative Investment Fund	11297753	5.60
IEPF	631188	0.31
Clearing Members	67557	0.03
Total (A) + (B)	**201749245**	**100.00**

Distribution of Shareholding as on 31st March, 2023

Shareholding Range	No. of Holders	% of total holders	No. of Shares Held	% of total shares
1 - 5000	186189	99.44	23619216	11.71
5001 - 10000	487	0.26	3505152	1.74
10001 - 20000	245	0.13	3446206	1.71
20001 - 30000	88	0.05	2260983	1.12
30001 - 40000	46	0.02	1607122	0.80
40001 - 50000	39	0.02	1786332	0.89
50001 - 100000	53	0.03	3664139	1.82
100001 and above	94	0.05	161860095	80.23
Total	**187241**	**100.00**	**201749245**	**100.00**

Dematerialisation of shares and Liquidity

Around 99.66% of the Share Capital is held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as on 31st March, 2023.

Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date & likely impact on equity

There are no outstanding GDRs/ADRs/warrants or any convertible instruments as on 31st March, 2023.

Status of Unclaimed Dividend

Dividend for the year	Amount of dividend (₹ in Lakhs)	Amount of unclaimed dividend as on 31.03.2023 (₹ in Lakhs)	Due date of transfer to IEPF
2016-17 (Interim)	8574.58	56.48	18th September, 2023
2017-18 (Interim)	5875.56	42.37	4th September, 2024
2018-19 (Interim)	5710.96	26.18	7th March, 2026
2019-20 (Interim)	5500.00	23.42	12th December, 2026
2020-21 (Interim)	5250.00	21.98	10th March, 2028
2021-22 (Interim)	5101.00	19.25	5th March, 2029
2022-23 (Interim)	5084.36	Refer Note	21st March, 2030

Note: The Interim Dividend for Financial Year 2022-2023 was paid to the Equity Shareholders of the Company on and from 6th March, 2023. The Dividend has been transferred to the shareholders' bank accounts registered with the Depositories / Registrar & Share Transfer Agent of the Company. In those cases where the bank details are not available or the electronic payment instructions have failed or have been rejected by the bank, the Company arranged the demand drafts in lieu thereof. Since all the demand drafts were active as on 31st March, 2023, there was no unclaimed dividend on that date.

Equity Shares in Demat Suspense Account

In terms of Regulation 34 read with Schedule V to the Listing Regulations, the Company reports the following details in respect of equity shares lying in the Demat Suspense Account of the Company:

Category	Number of Shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares lying in the Demat Suspense Account at the beginning of the year	496	26787
Aggregate number of shareholders and the outstanding shares transferred to Suspense Account during the year	-	-
Number of shareholders who approached the Company for transfer of shares from the Suspense Account during the year	-	-
Number of Shares transferred to Investor Education and Protection Fund (Demat)	-	-
Number of shareholders to whom shares were transferred from the Suspense Account during the year	1	140
Aggregate number of shareholders and the outstanding shares lying in the Suspense Account at the end of the year	495	26647

The voting rights on the shares outstanding in the Suspense Account as at 31st March, 2023 shall remain frozen till the rightful owners of such shares claim their shares.

Plant Locations

Unit 1:	Balrampur (Sugar, Co-generation, Distillery and Agro divisions), District - Balrampur, Uttar Pradesh.
Unit 2:	Babhnan (Sugar, Co-generation and Distillery divisions), District - Gonda, Uttar Pradesh.
Unit 3:	Tulsipur (Sugar and Co-generation Divisions), District - Balrampur, Uttar Pradesh.
Unit 4:	Haidergarh (Sugar and Co-generation divisions), District - Barabanki, Uttar Pradesh.
Unit 5:	Akbarpur (Sugar and Co-generation divisions), District - Ambedkarnagar, Uttar Pradesh.
Unit 6:	Mankapur (Sugar, Co-generation, Distillery and Agro divisions) District - Gonda, Uttar Pradesh.
Unit 7:	Rauzagaon (Sugar and Co-generation divisions) District - Ayodhya, Uttar Pradesh.
Unit 8:	Kumbhi (Sugar and Co-generation divisions), District - Lakhimpur-Kheri, Uttar Pradesh.
Unit 9:	Gularia (Sugar, Co-generation, Distillery and Agro divisions), District - Lakhimpur–Kheri, Uttar Pradesh.
Unit 10:	Maizapur (Sugar, Co-generation & Distillery divisions), District - Gonda, Uttar Pradesh.

Investors' Correspondence

Mr. Arijit Roy,
Manager – Secretarial & Legal
Balrampur Chini Mills Limited
FMC Fortuna, 2nd Floor
234/3A, A. J. C. Bose Road, Kolkata – 700 020
Phone: (033) 2287 4749

The Company has designated investorgrievances@bcml.in (email id) exclusively for the purpose of registering complaints and queries by investors.

Other Disclosures

i) The Company does not have any materially significant related party transaction, which may have potential conflict with the interests of the Company at large. The transactions with related parties have been disclosed separately in the Notes to the Financial Statements. The Company has disclosed the policy on dealing with the related party transactions on its website at the following web-link:

https://chini.com/sustainability/governance/policies/

ii) There were no instances of non-compliances related to capital markets during the year under review and no penalties/strictures were imposed against the Company during the last three years.

iii) Whistle Blower Policy framed by the Company to deal with unethical behavior, victimisation, fraud and other grievances or concerns, if any, is available on the Company's website at the following web-link:

https://chini.com/sustainability/governance/policies/

Further, no personnel has been denied access to the Audit Committee.

iv) All mandatory requirements relating to corporate governance under the Listing Regulations have been appropriately complied with and the status of non- mandatory (discretionary) requirements is given below:

1. The Company's financial statements for the year ended 31st March, 2023 do not contain any modified audit opinion
2. The Internal Auditors of the Company report directly to the Audit Committee.

v) The Company doesn't have any subsidiary company and therefore corresponding disclosures including framing of policy on material subsidiary has not been made.

vi) In terms of the Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report. Details of significant changes in key financial ratios, along with detailed explanations thereof (including details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof) have been adequately covered under the Management Discussion and Analysis Report.

vii) The CEO & CFO Certification for the year 2022-23 forms part of the Annual Report.

viii) The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the date of the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

ix) The Company has laid down Risk Assessment and Minimisation procedures and the same are periodically reviewed by the Board. The Company has a defined Risk Management Framework and Policy approved by the Board of Directors of the Company on 2nd February, 2022. The said Framework and Policy was reviewed and revised by the Board of Directors at its meeting held on 9th November, 2022. The Risk Management Framework and Policy is available on the website of the Company at the following web-link:

https://chini.com/sustainability/governance/policies/

Further, the Company has adequate internal control systems to identify risks at appropriate time and to ensure that the executive management controls the risk through properly defined framework.

Information required under clause 9(n) of Part C of Schedule V to the Listing Regulations and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are given hereunder:

Sugar, Ethanol and Power together constitute for more than 99% of the Company's revenues.

The major segment in which the Company operates in, which accounts for around 80% of the Company's revenues, is Sugar and as such Company is exposed to commodity price risk. The Government announces domestic sales quotas on a monthly basis. Moreover, there are not many active platforms in India that allow hedging of domestic sugar sales. Additionally, the Central Government had announced a Minimum Sale Price (MSP) for the sale of sugar in the open market by every sugar mill. Currently set at ₹31/- per kilogram, this MSP acts as a minimum floor price for the sale of sugar by the sugar mills in India.

Normally, the Company does not physically export sugar. However, the Company has a policy in place to hedge the underlying exposure associated with exports. Thus, there is no price risk in case of ethanol and accordingly it does not require any hedging.

The pricing methodology for ethanol remained unchanged. Ethanol prices (excluding ethanol produced from grains) are announced by the Central Government which are based on Fair and Remunerative Price (FRP) of sugarcane, cost of production of sugar and realisation of by-products.

Similarly for supply of power to the State Electricity Grid, which are governed under long term Power Purchase Agreement(s) with the State Electricity Board, the prices are fixed for a term of five years.

Further, there is lot of restrictions on the Company to come out of PPA and explore sale of power to other distribution companies or on the exchange. Accordingly, the details required under SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are not applicable to the Company.

Further disclosures relating to risks and activities including commodity price risk etc., have been adequately covered under the Management Discussion and Analysis Report forming part of the Annual Report.

x) During the year under review, no complaint / case was filed or was pending for redressal pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

xi) A certificate has been obtained from Mr. Manoj Kumar Banthia, Partner of MKB & Associates, Practicing Company Secretaries confirming that none of the Directors of the Company have been debarred or disqualified by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as directors of the Company and the same forms part of the Annual Report.

xii) All recommendations made by the Committees of the Board during the year were accepted by the Board. During the year 2022-23, there was no such instance wherein the Board had not accepted any recommendation of any committee of the Board.

xiii) Details of total fees for all services paid by the Company on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part, given below:

Particulars	Amount (₹ in Lakhs)
For Statutory Audit	55.65
For Taxation Matters	Nil
For Limited Review & Certification Work	21.83
Reimbursement of Expenses	Nil
Total	**77.48**

xiv) The Company has duly complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub- regulation (2) of Regulation 46 of the Listing Regulations.

xv) The Company has not provided any loans and advances in the nature of loans to firms/companies in which any director is interested.

xvi) Other items which are not applicable to the Company have not been separately commented upon.

For and on behalf of the Board of Directors

Sd/-
Praveen Gupta
Whole-time Director
DIN : 09651564
Place: Haidergarh

Sd/-
Vivek Saraogi
Chairman and Managing Director
DIN : 00221419
Place: Kolkata

Date: 11th May, 2023

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

Balrampur Chini Mills Limited ("the Company") has adopted the Code of Conduct for its Board Members and Senior Management Personnel and the same is available on the website of the Company.

It is hereby confirmed that the Company has obtained affirmation from all the Board Members and Senior Management Personnel that they have complied with the said Code for the financial year 2022-23.

For and on behalf of the Board of Directors

Sd/-
Vivek Saraogi
Chairman and Managing Director
(DIN: 00221419)

Date: 11th May, 2023
Place: Kolkata

CERTIFICATION BY CHAIRMAN AND MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER IN TERMS OF REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, the undersigned, in our respective capacities as Chairman and Managing Director and Chief Financial Officer of Balrampur Chini Mills Limited ("the Company") to the best of our knowledge and belief, hereby certify that:

A. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2023 and that to the best of our knowledge and belief:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee :

   1. there has been no significant change in internal control over financial reporting during the year;

   2. there has been no significant change in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. there has been no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Place: Kolkata
Date: 11th May, 2023

Sd/-
Vivek Saraogi
Chairman and Managing Director
(DIN: 00221419)

Sd/-
Pramod Patwari
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE OF BALRAMPUR CHINI MILLS LIMITED

To,
The Members,
BALRAMPUR CHINI MILLS LIMITED

We have examined the compliance of conditions of Corporate Governance by **BALRAMPUR CHINI MILLS LIMITED** ("the Company") for the year ended on 31st March, 2023, as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clauses and/or Regulations. 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 knowledge, information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 11th May, 2023
Place: Kolkata
UDIN: A011470E000299868

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
Balrampur Chini Mills Limited
234/3A, A.J.C. Bose Road
FMC Fortuna, 2nd Floor
Kolkata - 700 020, West Bengal

We have examined the relevant disclosures received from the Directors and registers, records, forms, returns maintained by Balrampur Chini Mills Limited (CIN: L15421WB1975PLC030118) having its Registered Office at 234/3A, A.J.C. Bose Road, FMC Fortuna, 2nd Floor, Kolkata - 700 020, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31 March 2023:

Sl. No.	DIN	Name	Designation	Date of appointment
1	00221419	Mr. Vivek Saraogi	Chairman and Managing Director	03.07.1987
2	00040000	Mr. Dinesh Kumar Mittal	Independent Director	06.02.2014
3	02792753	Mr. Krishnava Dutt	Independent Director	06.02.2014
4	09651564	Mr. Praveen Gupta	Whole-time Director	01.07.2022
5	03059141	Mr. Naresh Dayal	Non-executive Director	15.11.2016
6	00885567	Ms. Veena Hingarh	Independent Director	31.08.2019
7	00462925	Ms. Mamta Binani	Independent Director	05.11.2020

We further certify that none of the aforesaid Directors on the Board of the Company for the Financial Year ended on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 11th May, 2023
Place: Kolkata
UDIN: A011470E000299771

Annexure VII to the Board's Report

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 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
BALRAMPUR CHINI MILLS LIMITED

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

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (as amended) (the Act) and the Rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

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 and Sweat Equity) Regulations, 2021;

e) The Securities and Exchange Board of India (Issue and listing of Non-Convertible securities) Regulations, 2021;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

j) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:

a) The Sugar (Control) Order, 1966;

b) The Food Safety And Standards Act, 2006 and Rules and Regulations made there under;

c) The Essential Commodities Act,1955;

d) The Legal Metrology Act, 2009;

e) The Electricity Act, 2003;

f) The U.P. Sugar Cane (Regulation of Supply & Purchase) Act, 1953.

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

a. Secretarial Standards issued by The Institute of Company Secretaries of India.

b. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

b) Adequate notice is given to all directors to schedule 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 and for meaningful participation at the meeting.

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the audit period the Company has obtained approval of its shareholders by means of special resolution for appointment of Shri Praveen Gupta (DIN: 09651564) as the Whole Time Director of the Company for a term of 3 years with effect from 1st July, 2022 to 30th June, 2025;

We further report that:

a. the Board of Directors of the Company at their meeting held on 9th November, 2022 has approved the offer for buy back of Equity Shares of the Company. The offer opened on 16th November, 2022 and was continuing as on 31st March, 2023. Under the offer, the company has bought back 22,90,755 equity shares upto 31st March, 2023 at an aggregate consideration of ₹8185.14 Lakhs excluding transaction costs. The Company has extinguished all the equity shares bought back upto 31st March, 2023;

b. the Board of Directors of the Company at their meeting held on 11th February, 2023 has approved the issuance of 14,000 unlisted, secured, redeemable non-convertible debentures of face value of ₹1 Lakh each on private placement basis;

c. the Board of Directors of the Company at their meeting held on 21st March, 2023 has approved the "BCML Employees Stock Appreciation Rights Plan 2023" ("ESAR 2023"/"Plan"), which was subject to the approval of shareholders and other approvals, permissions and sanctions as may be necessary. As on the date of the report, approval of shareholders by way of postal ballot has been obtained.

This report is to be read with our letter of even date which is annexed as Annexure – I which forms an integral part of this report.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 11th May, 2023
Place: Kolkata
UDIN: A011470E000299758

Annexure – I

To
The Members,
BALRAMPUR CHINI MILLS LIMITED

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process 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 process 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. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. 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 MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Sd/-
Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 11th May, 2023
Place: Kolkata
UDIN: A011470E000299758

Business Responsibility and Sustainability Report (BRSR)

Delivering Business Responsibly and Sustainability

In its continued efforts to enhance disclosures on ESG standards, BCML aims to drive greater transparency around how its businesses are creating value by contributing towards a sustainable economy, by disclosing its performance during the financial year 2022-23 against the nine principles of 'National Guidelines on Responsible Business Conduct' (NGBRC), including integration of these principles in its policies and processes.

At BCML, our environmental commitment begins from organization-wide sensitization and training. As an organisation, we understand the need to encourage innovation and emerge as a greener, stronger, and smarter business. Being in the sugar industry, we take utmost care of our environment through the enhancement of our processes.

Sustainability is one of the key strategic pillars for BCML

Sustainability and climate-related issues are overseen by instituting a range of initiatives to ensure health, well-being, and food security of people by driving down waste, reducing emissions, and engaging with communities to achieve tangible sustainability impacts across society.

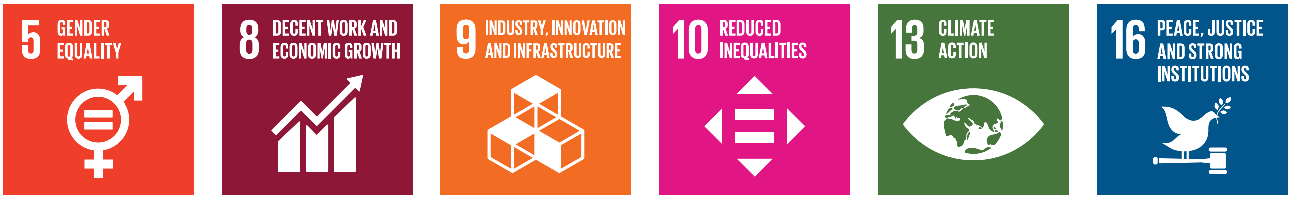
As far as governance is concerned, we believe that the way to the future is through a replacement of adhocness with predictability; we deepen our system orientation that makes us increasingly individual-agnostic and more process driven.

In our efforts to reduce environmental footprints, Balrampur Chini Mills aligns its sustainable initiatives with the UN Sustainable Development Goals (SDGs). We operate with a sense of responsibility towards our communities and actively mitigate the impact of our resource-intensive operations on the surroundings. Our community-led initiatives are aimed at sustainable socio-economic development of underserved and underprivileged communities.

This is in line with our continued endeavour to adopt leading national and international ESG standards and ensure transparent reporting on our ESG practices. The boundary of this Business Responsibility & Sustainability Report covers the applicable operations of BCML as a standalone entity, unless otherwise specified.

SECTION A	provides a broad overview of the business, its offerings, business and operations footprint, employees, related parties, CSR and transparency
SECTION B	covers management and process disclosures related to the businesses aimed at demonstrating the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.
SECTION C	provides indicator-wise disclosures mapped to the nine principles of NGRBC which are listed at the start of Section B.

SECTION A: GENERAL DISCLOSURES



I. Details of the listed entity[1]

1.	Corporate Identity Number (CIN) of the Company	L15421WB1975PLC030118
2.	Name of the Company	Balrampur Chini Mills Limited
3.	Year of incorporation	1975
4.	Registered office address	234/3A, A J C Bose Road, FMC Fortuna, 2nd Floor, Kolkata 700020
5.	Corporate address	234/3A, A J C Bose Road, FMC Fortuna, 2nd Floor, Kolkata 700020
6.	E-mail	bcml@bcml.in
7.	Telephone	(033) 22874749
8.	Website	http://www.chini.com/
9.	Financial year for which reporting is being done	FY 2022-23
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited, National Stock Exchange of India Limited
11.	Paid-up Capital	₹20,17,49,245
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	**Name:** Mr. Manoj Agarwal, Company Secretary & Head CSR **Tel:** (033) 22874749 **Email:** esg@bcml.in
13.	Reported 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)[2]	The disclosures made under this report are on a Standalone basis for Balrampur Chini Mills Limited.

Note: *As this is the first report of the Company, there has been no restatement[3] or changes in material topics*

External Assurance[4]: *SGS India Private Limited has assured the data presented under GRI Standards of disclosure as specified in their Assurance Statement. The scope and basis of assurance have been described in their assurance letter.*

II. Products/services[5]

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Sugar	The Company possesses the second largest sugar manufacturing capacity in India. The Company operates ten manufacturing plants in Uttar Pradesh.	69.68%
2.	Production of Industrial Alcohol	The Company's distillery capacity is majorly dedicated to the production of ethanol (green fuel) for blending it with petrol and is supplied to Oil Marketing Companies.	24.27%
3.	Co-generated power	The Company uses bagasse as primary input for production of green power (electricity) for captive use majorly.	2.32%

1 *GRI 2-1, GRI 2-3*
2 *GRI 2-2*
3 *GRI 2-4*
4 *GRI 2-5*
5 *GRI 2-6*

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Sugar	10721	69.68%
2.	Industrial Alcohol	11019	24.27%
3.	Co-generated power	35106	2.32%

III. Operations[6]

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

Location	Number of plants	Number of offices	Total
National	10	03	13
International	Nil		

17. Markets served by the entity:

a. **Number of locations**

Locations	Number
National (No. of States)	As of March 31, 2023, the Company has its presence in India across 3 states.
International (No. of Countries)	During the year, the export of the Company was Nil (However, sugar was sold to Merchant Exporters).

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

The Contribution of exports as a percentage of the total turnover of the entity is Nil (However, sugar was sold to Merchant Exporters).

c. **A brief on types of customers**

At Balrampur Chini Mills Limited, we have a diverse range of customers across our different product lines. We serve a wide range of customers, including industrial buyers and institutional buyers.

IV. Employees

18. Details as at the end of Financial Year:

a. **Employees and workers (including differently abled)[7]:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1454	1447	99.52	7	0.48
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	1454	1447	99.52	7	0.48
WORKERS						
4.	Permanent (F)	4816	4806	99.79	10	0.21
5.	Other than Permanent (G)	1595	1595	100	0	0
6.	**Total workers (F + G)**	**6411**	**6401**	**99.84**	**10**	**0.16**

b. **Differently abled Employees and workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	2	2	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	2	2	100	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	3	3	100	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	**Total differently abled workers (F + G)**	**3**	**3**	**100**	**0**	**0**

6 GRI 2-6

7 GRI 2-7, GRI 2-8

19. Participation/Inclusion/Representation of women[8]

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	29
Key Management Personnel	4	0	0

20. Turnover rate for permanent employees and workers[9]

Disclose trends for the past 3 years

Particulars	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2.22%	0%	2.22%	1.76%	0%	1.76%	1.62%	0%	1.62%
Permanent Workers	4.83%	0.02%	4.85%	2.85%	0%	2.85%	3.03%	0%	3.03%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures[10]

S. No.	Name of the holding/ Subsidiary/ Associate companies/ joint ventures (A)	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.	Auxilo Finserve Private Limited (AFPL)	Associate	43.93%	No

There were no subsidiary/ joint ventures of the Company as at 31st March, 2022 and 31st March, 2023.

VI. CSR Details

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

Corporate Social Responsibility is applicable to BCML. We have numerous projects, and activities that help us in assisting the communities and develop stronger relationships through our initiatives.

(ii) Turnover (in Rs.) 4846.03 cr (FY 22)

(iii) Net worth (in Rs.) 2705.16 cr (FY 22)

8 GRI 405-1
9 GRI 401-1
10 GRI 2-2

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:

<table>
<tr><th rowspan="2">Stakeholder group from whom complaint is received</th><th rowspan="2">Grievance Redressal Mechanism in Place (Yes/No)
(If Yes, then provide web-link for grievance redress policy)[11]</th><th colspan="3">FY 2022-23</th><th colspan="3">FY 2021-22</th></tr>
<tr><th>Number of complaints filed during the year</th><th>Number of complaints pending resolution at close of the year</th><th>Remarks</th><th>Number of complaints filed during the year</th><th>Number of complaints pending resolution at close of the year</th><th>Remarks</th></tr>
<tr><td>Communities</td><td rowspan="6">Yes,
BCML has a grievance redressal mechanism in place for all of its stakeholders.
The processes are set internally and communicated to the stakeholders.</td><td colspan="6">Yes. BCML has a structured process of getting feedback and grievances related to interventions. During FY 2022-23, no grievances were raised by the communities.
https://chini.com/wp-content/uploads/2021/07/CSR-Policy.pdf</td></tr>
<tr><td>Investors (other than shareholders) and Shareholders</td><td colspan="6">Yes, the Company has an effective investor redressal mechanism. Investors and Shareholders with concerns can contact Investor Service Department or the Registrar & Share Transfer Agent
Email: einward.ris@kfintech.com
Tel: 1-800-309-4001
14 complaints were received and resolved in financial year 2022-23
https://chini.com/contact-us/</td></tr>
<tr><td>Employees and workers</td><td colspan="6">Yes, the Company has an effective Whistle blower policy that covers all its employees (including workers) providing them with a channel to raise concerns to maintain the highest possible standards of ethical, morale, and legal business conduct, as well as the Company's commitment to open, fearless, and genuine communication.
For safety of women at workplace, we also have set up an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act.
Policy on Prevention of Sexual Harrasment: https://chini.com/wp-content/uploads/2023/02/Prevention_Sexual_Harassment_Policy-1.pdf
No complaints were received in financial year 2022-23</td></tr>
<tr><td>Customers</td><td colspan="6">Yes, we act in a way that adds value to our customers and contributes to the development of a trusting relationship.
Yes. Escalation mechanisms are defined and addressed accordingly. Further, email ids of sales head are given on the website for registering their grievances or feedback.
12 complaints were received and resolved during FY 2022-23, and 4 complaints were received and resolved during FY 2021-22
https://chini.com/contact-us/</td></tr>
<tr><td>Value Chain Partners</td><td colspan="6">Yes, we engage with our value chain partners for optimizing the resources. Further, we have a section dedicated in our website for feedback.
No complaints were received during the year.
https://chini.com/contact-us/</td></tr>
<tr><td>Other (please specify)</td><td colspan="6">NA</td></tr>
</table>

11 *GRI 2-25, 2-26*

24. Overview of the entity's material responsible business conduct issues[12]

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

Sl. 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[13]	Financial implications of the risk or opportunity (Indicate positive or negative Implication)[14]
1.	Supply Chain Management	Risk	Complex and interconnected nature of supply chains, involving multiple stakeholders, geographically dispersed operations, and intricate logistics, increases the vulnerability to supply disruptions, quality control issues, delivery delays, increased costs, and reputational risks.	Establishing strong partnerships and communication channels with suppliers, conducting regular supplier assessments to ensure compliance with social and environmental standards, diversifying the supplier base to reduce dependency on a single source, implementing robust risk management strategies to anticipate and mitigate potential disruptions.	Negative
2.	Community Relations	Opportunity	Fostering positive relationships with local communities, stakeholders, and indigenous groups can contribute to obtaining and maintaining a social license to operate, enhancing the industry's reputation, minimizing conflicts, gaining access to land and resources, promoting sustainable practices, and fostering mutually beneficial partnerships for economic development and social well-being.	The Company aims to ensure holistic development through its CSR initiatives by addressing various aspects of community well-being and sustainability.	Positive
3.	Employee Health & Safety	Risk	Nature of work and workplace conditions, including exposure to hazardous materials, operation of machinery, physical labour, and potential for accidents, necessitate prioritizing measures to ensure a safe and healthy working environment, safeguarding employees from occupational hazards, and promoting their overall well-being and productivity.	Implementing comprehensive safety policies and procedures, conducting regular safety training programs to educate employees about potential hazards and preventive measures, providing personal protective equipment (PPE) to minimize risks, regularly inspecting and maintaining equipment to ensure safe operations, fostering a culture of safety through communication and awareness campaigns, and establishing effective incident reporting and investigation mechanisms to identify and address safety concerns promptly.	Negative
4.	Forced or compulsory labour	Risk	Labour-intensive nature and vulnerability to exploitative practices within the supply chain.	Raising awareness through targeted campaigns and training programs to educate workers, employers, and communities about their rights and the importance of ethical labour practices and impose strict penalties for violations, enhancing enforcement mechanisms through increased monitoring, inspections, and audits.	Negative

Sl. 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[13]	Financial implications of the risk or opportunity (Indicate positive or negative Implication)[14]
5.	Product Quality & Safety	Risk	It allows businesses to meet the rising consumer demand for high-quality and safe products, enhancing customer satisfaction, loyalty, and trust in the brand.	Implementing stringent quality control measures, such as conducting regular product testing and inspections, adhering to industry-specific quality certifications, and maintaining strict hygiene and safety protocols, to ensure consistent product quality and safety in the sugar industry.	Negative
6.	Climate change	Risk	Taking proactive measures to reduce greenhouse gas emissions, energy use, and effectively mitigate the effects of long-term changes in the Earth's climate and their physical impacts on business operations, communities, and the natural environment. Engaging in advocacy and fostering partnerships with others to actively reduce the impact of climate change.	Implementing a comprehensive suite of mitigation measures, including energy efficiency improvements, transitioning to renewable energy sources, adopting sustainable practices throughout operations, promoting responsible resource management, and engaging in partnerships and advocacy efforts to reduce the impact of climate change.	Negative
7.	Water Management	Risk	Water scarcity, increasing competition for water resources, and regulatory pressures highlight the need for efficient and sustainable water management practices to mitigate the risk of inadequate water availability, potential conflicts with other water users, and potential disruptions to production processes	Water efforts include the use of recycled and treated water in our operations, as well as regular monitoring and optimization of our water usage and replenishing fresh water through water harvesting	Negative
8.	Packaging Material & Waste	Risk	Inefficient packaging practices, inadequate waste management, and environmental impacts associated with non-biodegradable packaging materials can lead to increased waste generation, environmental pollution, regulatory non-compliance, reputational damage, and supply chain complexities	Implementing sustainable packaging practices, such as reducing the overall amount of packaging materials used, promoting the use of recyclable or biodegradable materials, recycling plastic waster under EPR, adopting eco-friendly packaging designs, implementing efficient packaging processes.	Negative

12 *GRI 3-1, 3-2*
13 *GRI 3-3*
14 *GRI 201-2*

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.

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
Principle 2	Businesses should provide goods and service in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)[15]	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	1. Environment, Health and Safety Policy: https://chini.com/wp-content/uploads/2023/02/EHS-Policy-2.pdf 2. Policy on Prevention of Sexual Harrasment: https://chini.com/wp-content/uploads/2023/02/Prevention_Sexual_Harassment_Policy-1.pdf 3. Anti- Bribery Policy: https://chini.com/wp-content/uploads/2023/02/Anti-Bribery-Policy.pdf 4. Familiarisation Programme for Independent Directors: https://chini.com/wp-content/uploads/2022/08/BCML_Familiarisation_Programme.pdf 5. BCML Code of Fair Disclosure: https://chini.com/wp-content/uploads/2023/02/BCML-Code-of-Fair-Disclosure-1.pdf 6. Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons: https://chini.com/wp-content/uploads/2023/02/Code-of-conduct.pdf 7. Code of Conduct for Employees (Hindi Version): https://chini.com/wp-content/uploads/2023/02/Code_of_Conduct_All_Employees_Section_Hindi.pdf								

15 GRI 2-23

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	8. Code of Conduct: https://chini.com/wp-content/uploads/2022/08/Code_of_Conduct.pdf 9. CSR Policy: https://chini.com/wp-content/uploads/2021/07/CSR-Policy.pdf 10. Dividend Distribution Policy: https://chini.com/wp-content/uploads/2022/08/Dividend_Distribution_Policy_2020.pdf 11. Policy for Determination of Materiality of Events: https://chini.com/wp-content/uploads/2022/08/Policy-for-Determination-of-Materiality-of-Events.pdf 12. Policy on Related Party Transactions: https://chini.com/wp-content/uploads/2022/08/Policy_on_RPT.pdf 13. Policy on Selection & Remuneration of Directors, KMP and Other Employees: https://chini.com/wp-content/uploads/2023/02/Policy-on-Selection-Remuneration-of-Directors-KMP-and-Other-Employees-T....pdf 14. Policy on Preservation of Documents: https://chini.com/wp-content/uploads/2023/02/Policy_for_preservation_of_documents.pdf 15. Risk Management Policy & Framework: https://chini.com/wp-content/uploads/2023/01/BCML-Risk-Management-Policy-Amended.pdf 16. Vigil Mechanism Policy: https://chini.com/wp-content/uploads/2022/08/Vigil_Mechanism_Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)[16]	Yes, the policies have been converted into procedures by the Company.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)[17]	Yes, some of the enlisted policies extend to our value chain partners.								
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.	BCML's policies are based on the principles of the National Guidelines for Responsible Business Conduct (NGRBC's), which align with Internationally recognized standards such as ISO 9000, 14000 and 45001, UNGC principles, ILO principles and United Nations Sustainable Development Goals (SDGs). To measure and report its sustainability performance, BCML has followed the Global Reporting Initiative (GRI) standards. The Company has secured the international Bonsucro certification for its Rauzagaon unit and FSSC 22000 for three of its units.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any[18]	As a responsible corporate citizen, BCML is committed to engaging with local communities and promoting social and economic development. To fulfil this commitment, we have set targets to enhance our engagement with the communities where we operate and address their concerns in business decision making by setting up a robust mechanism. We aim to work closely with local stakeholders to create sustainable development opportunities that benefit both the community and our business. We also aim to increase the percentage of employees and workers who receive regular training and development opportunities, and also expand our efforts to provide training and development and awareness programs to our value chain partners, including suppliers and farmers.								

16 GRI 2-24
17 GRI 2-23
18 GRI 3-3

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	BCML is committed to develop a strategy to move forward towards becoming water positive and improving the soil carbon content. To sequester the greenhouse gases we have committed to plant 10 Lakh trees in 5 years.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	In this report, we have provided an overview of our current performance across various indicators related to business responsibility and sustainability. While we have disclosed our current performance, we recognize the need for continued improvement in these areas. As such, we are committed to setting specific goals and targets to guide our efforts towards achieving a more sustainable and responsible business model. As a pilot project we achieved zero ground water withdrawal at our Kumbhi plant. By educating the farmers and providing them subsidized organic manure we have been improving the soil carbon content. We have planted more than 1.80 Lakh trees as compared to 1.20 Lakhs trees last year.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)[19]	BCML's sustainable development approach focuses on ensuring sustainable sugar production which creates value for farmers and the community while sustaining a business ecosystem. Apart from sugar, we also produce ethanol and industrial alcohol which are used as biofuels and contribute to environment sustainability. As a testament to our commitment towards the environment, we have setup internal targets for water conservation, energy use reduction, resource efficiency and waste minimization. We impact lives of local communities by undertaking various Corporate Social Responsibility projects around our manufacturing units with specific focus on education, skill development and employability/ entrepreneurship to improve livelihood and overall development of the communities we serve. Keeping Sustainability as the main driving force, we have been undertaking efforts to align and integrate our goals with the Environmental, Social and Governance (ESG) aspects of business and to build innovative business models. The Company endeavours to address a majority of the 17 Sustainable Development Goals (SDGs) aimed at building economic capital, ensuring environmental integrity, enabling economic development and building social capital.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).[20]	At the highest level, the Board of Directors of the Company, led by the Chairman & Managing Director, has the primary role to protect and enhance shareholder value through strategic supervision. Mr Praveen Gupta, Whole Time Director and Head of CTT, under the guidance of the Board of Directors and its Committees, is the highest authority responsible for implementation and oversight of the Business Responsibility Policy(ies). The Units heads and Heads of Corporate Functions are responsible for ensuring implementation of the Sustainability Policies of the Company within their respective Division / Corporate Function, and communication of these Policies to the employees.								

19 GRI 2-22

20 GRI 2-13, 2-14

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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.[21]	We have formulated "ESG Committee", which will oversee matters related to sustainability. It is responsible for providing direction to the management on formulation of ESG initiatives and monitoring the Company's progress and performance on its long-term ESG commitments and targets.								

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	Principle 1 to 9	Principle 1 to 9
Performance against above policies and follow up action	Performance against the above policies and follow up action is carried out for each principle as applicable.	The board committee reviews the performance against the policies on an annual basis.
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Review is carried out by the board committees and if required by the Board of Directors at their meetings also.	The board committee reviews the policies on an annual basis.

11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency[22]	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Yes, SGS India Private Limited, an external agency have carried out independent assessment/evaluation of the working of its policies.								

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

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

21 GRI 2-9

22 GRI 2-5

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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	4	During the year, the Board of Directors of the Company invested their time on various updates pertaining to the business, regulations, environmental, social, governance matters and cyber security.	100%
Key Management Personnel	6	1. Code of Conduct 2. BRSR 3. Cyber Security 4. Legal & Regulatory Compliances	100%
Employees other than BODs and KMPs	373	1. Code of Conduct 2. Data security and privacy 3. Sustainability Policies of the Company 4. Prevention of Sexual Harassment (POSH)	88%
Workers	339	1. Health, Safety & Human Rights	83%

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 Obligations) Regulations, 2015 and as disclosed on the entity's website)[23]:**

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					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil				
Punishment					

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

   Not applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.[24]**

   The anti-bribery policy sets the responsibility for the directors and employees/ workers of BCML to maintain high standards of business practices. This policy applies to all the directors and employees/ workers of the company across all its functions and locations. No director or employee of the company engages directly or indirectly in bribery. Any violation or non-adherence of the policy is reported to the Managing Director or Audit Committee of the Board, who takes appropriate action, including but not limited to termination of services. The Executive Committee of the Board monitors and reviews the effectiveness of this policy, considering its suitability and adequacy.

   Anti-bribery policy link: https://chini.com/wp-content/uploads/2023/02/Anti-Bribery-Policy.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption[25]:**

Particulars	FY 2022-23	FY 2021-22
Directors	Not Applicable as no disciplinary actions have been taken against our Directors/KMPs/ employees/workers for FY 22-23 and FY 21-22.	
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest[25]:**

Particulars	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	There were no cases received related to conflict of interest of directors in both the financial years 2022-23 and 2021-22.			
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	There were no cases received related to conflict of interest of KMPs in both the financial years 2022-23 and 2021-22.			

23 GRI 2-27
24 GRI 2-23, GRI 205-1, GRI 205-2
25 GRI 205-3, GRI 2-15

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 programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Around 12000 awareness programmes were conducted to educate the farmers about the latest farming techniques, varietal replacement, cane seeds, pest management and other development activities which accounts for almost 90% of value chain.		

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, BCML has robust processes in place to prevent and effectively manage conflicts of interest involving members of the Board. The company has implemented stringent policies and procedures that require board members to disclose any potential conflicts. This ensures transparency, accountability, and the ethical handling of conflicts of interest within BCML's governance framework.

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

BCML believes in prioritizing resource efficiency as sustainable production and consumption contributes to improving the quality of life and helps protecting and preserving the earth's natural resources.

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.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	-	-	Though we have soil testing labs and tissue culture lab, we do not have a separate department categorized as R&D.
Capex	-	-	This year we have made considerable investments in technologies and recycling infrastructure which would increase process efficiencies and reduce emissions and effluents. However, we have not accounted for the same separately.

2. a. **Does the entity have procedures in place for sustainable sourcing[26]? (Yes/No)**

Yes, we have procedures for sustainable sourcing as farmers constitute a vital part of our supply chain, and the close linkages between our Business and Indian agriculture provides a unique opportunity to engage with farmers. We engage in procuring the basic raw material-Sugarcane from the local farmers/ nearby farmers, supporting their individual livelihoods. We have also complied with the Bonsucro standards of sourcing for one of our plants.

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

Yes, 100% of inputs were sourced sustainably as we procure all our raw materials from the farmers, who deliver the material on their tractor trolleys at the main gate of the plants. We arrange the pickup for the remaining sugarcane at the centres which are closer to the farmer's village to facilitate the offloading of sugarcane. Once the offloading of raw material is done from these centres, we arrange for the transportation of sugar cane to the plant by our own transportation.

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[27].**

Name of Product/ Service	Process to safely reclaim the product
Plastic (including packaging)	BCML adheres to applicable laws and regulations to ensure the responsible management of plastic waste. In compliance with the plastic waste management rules of 2016, BCML utilizes various types of plastics, including multi-layer plastic, as packaging materials. The company follows proper disposal practices by handing over plastic waste to authorized vendors approved by the Central Pollution Control Board (CPCB). Furthermore, BCML fulfills its Extended Producer Responsibility (EPR) obligations concerning plastic usage.
E-waste	In compliance with the E-Waste (Management) Rules, 2016, BCML collects its e-waste and ensures its proper management and disposal. BCML ensures that the e-waste is handed over to authorized vendors approved by Central Pollution Control Board (CPCB).
Hazardous waste	BCML manages hazardous waste in accordance with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. The company ensures proper handling, storage, and disposal of hazardous waste, adhering to the guidelines specified in the rules.
Other Waste	Depending on the specific location of each plant or office, BCML manages non-hazardous waste in the most suitable and environmentally responsible manner. In areas where municipal waste management systems are available, BCML disposes of non-hazardous waste through those systems. In cases where municipal waste management systems are not accessible, BCML ensures proper disposal by engaging government-approved vendor.

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.**

Yes, BCML's activities fall under the scope of Extended Producer Responsibility (EPR) as outlined in the Plastic Waste Management Rules, 2016. The company has developed a waste collection plan that fully complies with the requirements of the EPR plan submitted to the Central Pollution Control Board (CPCB).

26 GRI 308-1
27 GRI 306-2

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.
BCML produces highest quality sugar while incorporating sustainable practices throughout the production and distribution cycles. However, no Life Cycle Assessment is carried out for our products. We aim to get the same done in the coming fiscal year.					

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[28]**

Name of Product / Service	Description of the risk / concern	Action Taken
BCML produces highest quality sugar while incorporating sustainable practices throughout the production and distribution cycles.		

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
Nil		

Note: *We invested in environment friendly equipment, helping convert press mud (waste) and fly ash (waste) into rich fertilizers and carbon dioxide (GHG emission released in distillation process) into dry ice.*

Our co-generation power plants generate power from the use of bagasse, a byproduct generated from sugar manufacture. The generation of 71.87 crore units of power in FY22-23 substituted the use of fossil fuels, helping reduce greenhouse gas (GHG) emissions.

Almost 100% of molasses, generated through cane crushing operation is utilized to manufacture ethanol. Also, bagasse generated from sugar crushing operations and spent wash, generated from distillery operations are used as fuels for generating clean energy. Also, Boiler ash generated from the incineration plants is converted into agro-input. Also, the spent-wash is utilized to produce bio-compost (manure) of rich-nutrients for plants and recycled to maintain soil nutrients.

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

Particulars	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	10371.18	0	0	184.72	0
E-waste	0	5.16	0	0	1.49	0
Hazardous waste	0	755.15	0	0	1336.57	0
Other waste	1367539.29	19041.74	6627.22	913200	3918.62	4572.80

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

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

28 GRI 306-2

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

BCML supports and promotes equity, dignity, and well-being of all its employees, including value chain partners. We strive to provide a positive work environment for all employees through diversity and inclusion.

Essential Indicators

1. a. Details of measures for the well-being of employees[29]:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1447	1444	99.7	1447	100	0	0	0	0	0	0
Female	7	7	100	7	100	7	100	0	0	0	0
Total	**1454**	**1451**	**99.7**	**1454**	**100**	**7**	**0.48**	**0**	**0**	**0**	**0**
Other than Permanent Employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	4806	4748	98.79	4748	98.79	0	0	0	0	0	0
Female	10	10	100	10	100	10	100	0	0	0	0
Total	**4816**	**4758**	**98.79**	**4758**	**98.79**	**10**	**0.21**	**0**	**0**	**0**	**0**
Other than Permanent workers											
Male	1595	1595	100	1595	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**1595**	**1595**	**100**	**1595**	**100**	**0**	**0**	**0**	**0**	**0**	**0**

29 GRI 401-2

2. Details of retirement benefits, for Current FY and Previous Financial Year[30]

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
ESI	0	0	Yes	0	0	Yes

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.

While currently our establishments do have some provisions for differently abled persons, we are committed to improving our facilities and making them more inclusive gradually.

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?

At BCML, we are committed to ensuring equal opportunities for all individuals, regardless of their background or identity. Although we have not yet created a formal equal opportunity policy, we have integrated this principle into our Code of Conduct as part of our commitment to creating a diverse and inclusive workplace. You can find a link to our Code of Conduct below

https://chini.com/wp-content/uploads/2022/08/Code_of_Conduct.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave[31].

Gender	Permanent Employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	There are no benefits as parental leave.			
Female				
Total				

6. Is there a mechanism available to receive and redress grievances[32] 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)	Details of the mechanism in brief
Permanent Workers- Yes	The Grievance Redressal Forum has been established in order to provide the best forum for open discussion and to settle all workplace related grievances at the local level with the involvement of labour representatives and the management. The major goal is to create the best working circumstances, a positive workplace culture and to help our employees form a relationship of trust with their employer.	
Other than Permanent Workers -Yes		
Permanent Employees-Yes		
Other than Permanent Employees-Yes		

30 GRI 201-3
31 GRI 401-3
32 GRI 2-25

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity[33] :

Category	FY 2022-23			FY 2021-22		
	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	1454	0	0	1446	0	0
- Male	1447	0	0	1409	0	0
- Female	7	0	0	37	0	0
Total Permanent Workers	4816	1547	32.12	4904	1662	34
- Male	4806	1545	32.14	4898	1659	34
- Female	10	2	20	6	3	50

8. Details of training given to employees and workers[34]:

Category	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	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	1447	1102	76	1405	97	1442	1057	73	1348	93
Female	7	0	0	1	14	4	0	0	1	25
Total	**1454**	**1102**	**76**	**1406**	**97**	**1446**	**1057**	**73**	**1349**	**93**
Workers										
Male	6401	4150	65	2801	44	7648	4118	54	2164	28
Female	10	10	100	6	60	5	5	100	0	0
Total	**6411**	**4160**	**65**	**2807**	**44**	**7653**	**4123**	**54**	**2164**	**28**

9. Details of performance and career development reviews of employees and worker[35]:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1447	1447	100	1442	1442	100
Female	7	6	86	4	4	100
Total	**1454**	**1453**	**99**	**1446**	**1446**	**100**
Workers						
Male	4806	1886	39	4898	1869	38
Female	10	0	0	6	0	0
Total	**4816**	**1886**	**39**	**4904**	**1869**	**38**

33 GRI 2-30
34 GRI 403-5, GRI 404-1, GRI 404-2
35 GRI 404-3

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 such system[36]	BCML is dedicated to ensuring a safe and productive workplace environment, prioritizing the minimization of accidents, injuries, and health risks. To achieve this, BCML has implemented several initiatives focused on occupational health and safety. These initiatives include the establishment of Emergency Response Teams, the display of comprehensive safety signage throughout the premises to highlight important guidelines and precautions, the identification of fire marshals, and the installation of firefighting systems. By implementing these measures, BCML strives to maintain a secure and healthy workplace for all employees.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity[37]	To identify work-related hazards and assess risks on a routine and non-routine basis, BCML implements the following processes: conducting regular workplace inspections, analyzing incident reports and near-miss events, engaging in hazard identification and risk assessment exercises, utilizing job safety analysis techniques, consulting with employees and safety committees, and continually monitoring and evaluating changes in work processes or conditions that may introduce new hazards or risks.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)[38]	BCML has implemented a system that encourages workers to promptly report work-related hazards and empowers them to remove themselves from risky situations. This system includes clear reporting channels, confidential reporting options, awareness campaigns to promote a reporting culture, and assurance of non-retaliation against workers who raise concerns about work-related hazards. Workers are actively encouraged to prioritize their safety and take necessary steps to remove themselves from any identified risks until appropriate measures are implemented.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)[39]	An occupational health center (OHC) facility is provided at the site for employees and workers.

11. Details of safety related incidents[40], 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	1
	Workers		
Total recordable work-related injuries	Employees	12	12
	Workers		
No. of fatalities	Employees	2	2
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy workplace[41]

BCML has implemented numerous initiatives to ensure a safe and healthy workplace. These measures include but are not limited to: implementing a Permit System for non-routine activities, conducting risk assessments to identify and establish recommended controls, addressing gaps and ensuring compliance with legal requirements and best practices, conducting safety and health awareness programs and training, promoting the reporting of unsafe acts, unsafe conditions, and near misses, and implementing corrective measures accordingly. BCML also

36 GRI 403-1, 403-3
37 GRI 403-2
38 GRI 403-2
39 GRI 403-6
40 GRI 403-9, GRI 403-10
41 GRI 403-2, GRI 3-3, GRI 403-9, GRI 403-10

conducts thorough incident investigations and implements corrective actions, conducts internal and external audits to assess the effectiveness of the safety management system, and conducts regular fire prevention drills to verify the effectiveness of the fire prevention and protective systems. Additionally, emergency preparedness procedures are in place to ensure a prompt and effective response in critical situations.

13. Number of Complaints on the following made by employees and workers[42]:

	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	We have not received any complaints on working conditions and health and safety in both FY 2022-23 and FY 2021-22. However, we do have processes and systems in place to address complaints and grievances of our employees and workers, which includes Grievance Redressal Forums. Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redress) Act, no complaints have been received during FY 2022-23 and FY 2021-22.					
Health & Safety						

14. Assessments for the year[43]:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	We make sure that all rules are followed, and precautions are taken to make the workplace safe and healthy for our employees. As and when required measures like infrastructure improvement, cleanliness drives are taken up at all units & offices.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions[44].

We have a dedicated mechanism in place in order to address any safety related incidents and we also carry out safety audits in order to ensure assessment of the workplace in terms of health and safety practices and working conditions.

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).
	Company has provision for life insurance for all workers & employees & provision is there to extend it in 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.
	Group insurance is provided to all workers & employees as ESI is not applicable as all factories are located in rural areas. ESI is deducted in case of workers at HO & rest all employees are covered in group insurance.

42 GRI 2-25
43 GRI 3-3
44 GRI 403-10

3	Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities, who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment[45]:				
		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 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
	Employees Workers	2	2	0	0
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				
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[45] Working Conditions	Assessment has been carried out for 90% of the value chain partners (farmers) for health and safety and working conditions, however all rules and regulations are followed to avoid any health-related risks.			
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[46].				
	Corrective actions were undertaken, however, there were no significant risks/concerns observed.				

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[47].**

   Stakeholders were identified from respective stakeholder groups relevant to our business. These include employees, vendors, government, shareholders, customers, and communities.

   A comprehensive stakeholder engagement exercise was carried out to engage with prioritised stakeholders from each of these groups. The exercise helped us understand their concerns and feedback. On the basis of feedback received from respective stakeholder groups, appropriate action plans are developed to address their expectations. These concerns and expectations form a vital input for our materiality assessment and for developing short and long-term business goals.

45 GRI 403-3, GRI 403-9, GRI 3-3
46 GRI 414-2
47 GRI 2-29

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group[48].

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notice Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Government & Regulatory Authorities	No	• Submission of compliance reports • Communication with regulatory Bodies • Formal Dialogues • Advocacy meetings through associates	Annually/ On-going/ need based	• Taxes and Charges • Timely disclosures • Compliance with laws and regulations • Policy advocacy and membership with industry bodies
Shareholders	No	• Company website • One-to-one meeting • Annual General Meeting • Investor/Analyst meet • Quarterly results • Stock Exchange updates	Annually/ Quarterly/need based	• ESG performance • Financial performance • Future approach and projects • Disclosures in the public domain • Sustainable growth of business and profitability • Sound corporate governance mechanisms • Ethics and compliance • Economic Performance
Employees	No	• Awareness training • Performance appraisals • Annual employee satisfaction survey • Grievance redressal mechanism • Email Communication / newsletters	Annually/ On-going/ need based	• Occupational health and safety • Rewards and recognition • Personal development and growth • Empowering work environment • Diversity at the workplace (gender, ethnicity, and differently abled) • Training and capacity building • Code of Conduct and corporate policies • Career planning and Development • Market-based compensation, benefits, and amenities • Employee welfare programs • Collective bargaining/ freedom of association

48 *GRI 2-29, GRI 414-1*

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notice Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Vendors (including farmers)	No	• Vendor meets • Training and awareness Programs • Pre-onboarding & Periodic Assessments • Balram App • Balrampur Kisan Suvidha Portal • Visits by cane personnel • Video, trainings and demonstration • Email Communication / newsletters	Annually/ On-going/ need based	• Planning & Execution of work orders • Innovation & product development • Communication & engagement on sourcing plans • Sustainable sugar cane production and sourcing • Suppliers assessment and training • Access to latest farming technique and smart agriculture • Social accountability • Mitigate climate agricultural risk associated with agri production
Customers	No	• Market surveys • Website, emails, social media • Forums, meets	Annually/ On-going/ need based	• Customer satisfaction • Product and service quality • Complaint resolution • On-time delivery • Product safety
Communities	Yes	• Community outreach programs • Impact assessment partner's visit • In-person meetings; Monitoring personnel visits	Annually/ On-going/ need based	• Engagement and involvement in decision making • Investment in local communities • Livelihood and Women empowerment

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.**
	We constantly work towards addressing the concerns that are most important to our stakeholders and our business in this rapidly changing environment. Understanding these challenges is something we always strive to achieve since doing so enables us to define our strategic priorities and communicate with our stakeholders about the topics that matter most to them. Additionally, we interact with various stakeholder groups to learn about their opinions and worries on the important issues that have been highlighted. It aids in the definition of these tangible elements and the construction of a roadmap for long-term value. Additionally, the material components are selected and shortlisted through this assessment.

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, stakeholder consultation is crucial to the Company's operations as it is committed towards addressing and safeguarding the interests and concerns of its stakeholders regarding the identification of the key issues which are material to their business. We ensure the same by investing in environmentally friendly processes and technologies that help us in mitigating and minimizing any negative impact. For its key stakeholder, the farmers, we have made efforts to address their concerns by improving their standard of living through our CSR initiatives and obtaining cane at fair and better prices.
3	**Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**
	Farmers are one of the most important stakeholders for our business and we ensure that we maintain cordial relationships with them and ensure that their grievances and issues are addressed effectively. We have taken several initiatives to address concerns of our primary vendors i.e. the farmers by providing them with agriculture inputs, empowering education and sustainability and by working towards their livelihood enhancement by rural development.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format[49]:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1454	1454	100	1446	1446	100
Other than permanent	0	0	0	0	0	0
Total Employees	**1454**	**1454**	**100**	**1446**	**1446**	**100**
Workers						
Permanent	4816	4816	100	4904	4904	100
Other than permanent	0	0	0	0	0	0
Total Workers	**4816**	**4816**	**100**	**4904**	**4904**	**100**

49 GRI 410-1, GRI 2-24

2. Details of minimum wages paid to employees and workers, in the following format[50]:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent										
Male	1447	1447	100	0	0	1409	1409	100	0	0
Female	7	7	100	0	0	37	37	100	0	0
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent										
Male	6401	6401	100	0	0	7648	7648	100	0	0
Female	10	10	100	0	0	5	5	100	0	0
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration/salary/wages, in the following format[51]:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	39,70,000	2	24,80,000
Key Managerial Personnel	4	1,04,96,070	0	0
Employees other than BoD and KMP	1443	8,46,809	7	5,25,955
Workers	4806	3,16,083	10	2,58,524

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business[52]? (Yes/No)

Yes, BCML has established a comprehensive Human Rights policy to address and manage human rights impacts, issues, and related matters. The company has implemented a robust Grievance Redressal mechanism to effectively address employee grievances concerning the company's policies and work environment. Additionally, BCML has formulated a policy specifically focused on the Prevention of Sexual Harassment, ensuring a safe and respectful workplace. Any reported incidents are thoroughly investigated by the Internal Complaints Committee, underscoring BCML's commitment to maintaining a workplace free from sexual harassment.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues[53].

BCML has established robust internal mechanisms to address and redress grievances related to human rights issues. These mechanisms include designated channels for grievance reporting, such as dedicated email addresses, ensuring confidentiality and anonymity if desired. The company has a designated grievance redressal team or committee responsible for promptly investigating and addressing reported grievances. Employees and stakeholders are provided with clear information on how to access these mechanisms and are assured of protection against any form of retaliation for reporting human rights concerns. Regular communication and awareness programs

50 GRI 405-2
51 GRI 2-19, GRI 2-21
52 GRI 2-13
53 GRI 2-25

are conducted to ensure widespread knowledge of the grievance redressal mechanisms and promote a culture of respect for human rights within the organization.

6. Number of Complaints on the following made by employees and workers[54]:

Category	FY 2022-23			FY 2021-22		
	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	No complaints were received regarding any of these human rights related issues in both FY 2022-23 and FY 2021-22.					
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases[55].

To prevent adverse consequences to the complainant in discrimination and harassment cases, BCML has implemented specific mechanisms. These mechanisms include strict confidentiality protocols to protect the identity of the complainant, conducting thorough and impartial investigations, providing support and resources to the complainant throughout the process, offering alternative work arrangements if needed, and taking appropriate disciplinary action against the perpetrators if allegations are substantiated. BCML also ensures non-retaliation against the complainant and maintains open lines of communication to address any concerns or additional support required during and after the resolution of the case.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)[56]

Yes, the principles and guidelines stated in our Code of Conduct highlight the importance of the various human rights aspects and ensures that those principles are adhered to by all the stakeholders to ensure respect towards human rights. All the matters related to human rights are addressed effectively by the concerned departments.

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	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

No issue found during inspection by labour department which is being carried out on regular basis. We have a dedicated internal age verification program for all new employees & we have implemented works, grievance committees in each plant which are conducting quarterly meetings.

No such cases yet, but in case of any situation which arises we do have processes and policies to address concerns related to human rights, however in case of any unforeseen situation we will ensure that appropriate corrective action is taken.

54 GRI 406-1
55 GRI 2-25
56 GRI 2-23, GRI 2-24

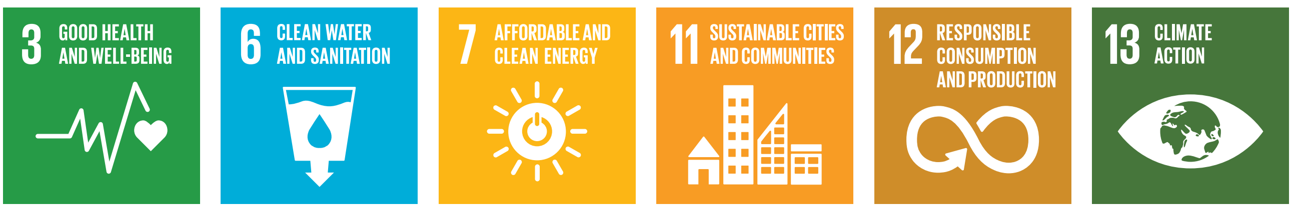
Leadership Indicators

1	**Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**
	No modification done as no complaint received
2	**Details of the scope and coverage of any Human rights due-diligence conducted**
	Nil
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?**
	Our offices are accessible to differently abled visitors and we are working towards improving infrastructure further.
4	**Details on assessment of value chain partners:**
5	**Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**
	No concerns have been reported in the current reporting cycle. Hence, no corrective actions were required

Details on assessment of value chain partners (Question 4):

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	90%
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

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[57]:**

Parameter	FY 2022-23 (in GJ)	FY 2021-22 (in GJ)
Total electricity consumption (A)	59872.96	39806.96
Total fuel consumption (B)	19864.25	27270.70
Energy consumption through other sources (C)	46367202.11	36274232.89
Total energy consumption (A+B+C)	46446939.31	36341310.60
Energy intensity per rupee of turnover [(Total energy consumption/turnover in rupees) GJ/Rupee]	0.00098	0.00074

Notes: 1) SGS India Private Limited, an external agency have carried out independent assessment/evaluation/assurance for FY 23.

2) Energy consumption higher due to doubling of distillery capacity as well as due to higher crushing of cane

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

57 GRI 302-1, GRI 302-3, GRI 302-4

3. Provide details of the following disclosures related to water[58] , in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	2975397	2608318
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2975397	2608318
Total volume of water consumption (in kilolitres)	2975397	2608318
Water intensity per rupee of turnover [(Water consumed / turnover) Litre/ Rupee]	0.062	0.053

Notes: 1) SGS India Private Limited, an external agency have carried out independent assessment/evaluation/assurance for FY 23

2) Condensate/recycled water for FY 22-23 is 2730773 KL and FY 21-22 is 1857166 KL. In 2022-23, since the cane crushing was higher and also the distillery capacity had doubled from 560 KLPD to 1050 KLPD, volume-wise withdrawal has nominally increased. However, ground water withdrawal on per MT basis has actually reduced due to extensive usage of recycled water.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation[59].

We have implemented zero liquid discharge (ZLD) process at all our distilleries to ensure that no industrial effluents are released into the environment.

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

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Kg	0	0
SOx	Kg	0	0
Particulate matter (PM)	Kg	322.83	326.76
Persistent organic pollutants (POP)	NA	0	0
Volatile organic compounds (VOC)	NA	0	0
Hazardous air pollutants (HAP)	mg/m3	0	0
Others – please specify	PPM	0	0

Note: SGS India Private Limited, an external agency have carried out independent assessment/evaluation/ assurance for FY 23.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format[60]:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	**tCO2e**	1485.85	2039.85
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	**tCO2e**	13554.57	9011.85
Total Scope 1 and Scope 2 Emissions	**tCO2e**	15040.42	11051.70
Total Scope 1 and Scope 2 emissions per crore rupee of turnover	**tCO2e/Crore Rupee**	3.18	2.26

Note: SGS India Private Limited, an external agency have carried out independent assessment/evaluation / assurance for FY 23.

58 GRI 303-3, GRI 303-5
59 GRI 303-1, GRI 303-2
60 GRI 302-5, GRI 305-1, GRI 305-2, GRI 305-4

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details[61].**

Company is committed to reduce GHG emissions resulting in investing 58.25 crores for lower steam consumption as following:

i) installing SRTC (Short Retention Time Clarifier) units & addition of 5 falling film evaporators at Balrampur unit,

ii) change of old Pan to new design at Rauzagaon,

iii) addition of modular compartment in continuous Pan & installation of semi kastner at Mankapur,

iv) installation of falling film at evaporator & modification in evaporator configuration at Kumbhi unit,

v) installation of 3 falling films & 2 Robert bodies at Maizapur unit

thereby enabling steam consumption to 41% for FY 2022-23 from 42% in FY 2021-22 leading to less consumption of energy from non-renewable sources & leading to lower GHG emissions.

8. **Provide details related to waste management by the entity, in the following format[62]:**

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)	1393208.23	921692
Plastic waste (A)	10371.18	184.72
E-waste (B)	5.16	1.49
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	4.1	2.43
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	751.05	1334.14
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)\	1382076.74	920168.82
Total (A+B + C + D + E + F + G + H)	**1393208.23**	**921692**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	**Hazardous & Non-Hazardous**	**Hazardous & Non Hazardous**
(i) Recycled	19041.74	3918.62
(ii) Re-used	1367539.29	913200
(iii) Other recovery operations	0	0
Total	**1386581.03**	**917118.62**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	**Non Hazardous**	**Non Hazardous**
(i) Incineration	0	0
(ii) Landfilling	6627.22	4572.28
(iii) Other disposal operations	0	0
Total	**6627.22**	**4572.28**

Notes: 1) SGS India Private Limited, an external agency have carried out independent assessment/evaluation/assurance for FY 23.

2) We have improved data collection method which resulted in identification of appropriate waste categories and capacities were also ramped up pursuant to the Capex programme which resulted in higher waste generation this year.

61 GRI 305-5

62 GRI 306-1, GRI 306-3, GRI 306-4, GRI 306-5

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[63].

   We have capitalised on our integrated model by investing in cutting-edge technologies so that by-product or waste products of one constitutes raw material or process material for other.

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[64]:

    None of our operations/ offices are located in or around ecologically sensitive areas where environmental approvals / clearances are required.

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
Not Applicable					

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, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format[66]:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, we are compliant with applicable environment laws, regulations and guidelines.				

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[57]:

Parameter	FY 2022-23 (in GJ)	FY 2021-22 (in GJ)
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	46367202.11	36274232.89
Total energy consumed from renewable sources (A+B+C)	46367202.11	36274232.89
From non-renewable sources		
Total electricity consumption (D)	59872.96	39806.96
Total fuel consumption (E)	19864.25	27270.70
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	79737.21	67077.66

Note: SGS India Private Limited, an external agency have carried out independent assessment/evaluation /assurance for FY 23.

57 GRI 302-1
63 GRI 306-2, GRI 3-3
64 GRI 304-1
65 GRI 303-1
66 GRI 2-27

2. **Provide the following details related to water discharged[67]:**

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i)To Surface water	0	0
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
No treatment	0	0
With treatment – please specify level of treatment	6,11,913	5,59,366
(v) Others	0	0
No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	6,11,913	5,59,366

Note: SGS India Private Limited, an external agency have carried out independent assessment/evaluation /assurance for FY 2023.

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): None of our plant is located in water stress area**

For each facility / plant located in areas of water stress, provide the following information[68]:

i. Name of the area NA

ii. Nature of operations NA

iii. Water withdrawal, consumption and discharge in the following format: NA

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)	NA	NA
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		

67 GRI 303-4
68 GRI 303-4

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
No treatment		
With treatment – please specify level of treatment		
(ii) Into Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) Into Seawater		
No treatment	NA	NA
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: SGS India Private Limited, an external agency have carried out independent assessment/evaluation /assurance for FY 23.

4 **Please provide details of total Scope 3 emissions & its intensity, in the following format[69]:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover	**tCO2e/Crore Rupee**	NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	tCO2e/MT	NA	NA

Note: SGS India Private Limited, an external agency have carried out independent assessment/evaluation /assurance for FY 2023.

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[70].**

Since we do not have any operations in ecologically sensitive areas as mentioned above in essential indicator question 10, assessment of direct and indirect impact of our operations on biodiversity is not applicable to us.

69 GRI 305-3, GRI 305-4
70 GRI 304-2, GRI 304-3

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	Installation of CPU Units to reduce water consumption.	We have installed a biological treatment base sugar vapour CPU unit in Kumbhi, achieving our target of zero ground water extraction. Fresh ground water used in the sugar process house was replaced with treated water (except for laboratory and drinking)	Kumbhi unit achieved zero ground water extraction

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

Yes, Business Continuity Plans are defined for risks corresponding to High Impact and High Velocity to enable rapid response to address the consequence of such risks when they materialize. Business Continuity Planning is embedded in the Internal Controls and Crisis Management framework for areas like manufacturing units, sales offices, information technology function, etc. Further the disaster management plan is part of the IT & Cyber security policy of the company.

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.**

To conserve resources we promote sustainable farming practices in sugar cane cultivation areas and partly source Bonsucro certified sugar cane. For restoring the organic balance in soil and to enhance agricultural productivity, soil mapping and testing facilities are provided to farmers along with guidance on soil health. These practices result in water conservation and regeneration of soil.

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

Our cane team assist farmers (around 90%) in sustainable farming techniques through integrated cane management system and Balram app.

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[71].**

   We are affiliated with 21 (Twenty One) trade and industry chambers including Federation of Indian Chambers of Commerce & Industry (FICCI), Indian Sugar Mills Association (ISMA) and UP Sugar Mill Association (UPSMA)

   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	National
2	UP Sugar Mill Association	National
3	Confederation of Indian Industry	National
4	Federation of Indian Chambers of Commerce	National
5	Indian Chamber of Commerce	National
6	Bharat Chamber of Commerce	National
7	Young President Organisation	National
8	IMC Chamber of Commerce & Industry	National
9	The Institute of Internal Auditors	National
10	MCC Chamber of Commerce & Industry	National

The Company, through its employees and representatives, actively participates in the deliberations at these trade/ chamber/ associations relating to environment, sustainability, trade and economic reforms etc. and making representations to the relevant regulatory bodies during the framing of legislations/ guidelines/ policies.

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities[72].**

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

71 GRI 2-28
72 GRI 2-28

Leadership Indicators

1 Details of public policy positions advocated by the entity:

S. 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
Not Applicable					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

BCML's CSR vision is 'to contribute for bringing social and economic change to the underprivileged sections of the society in an equitable and sustainable manner and to contribute for livelihood enhancement initiatives for the weaker sections of the society. In doing so, we believe that we are contributing to develop the quality of human life and making a better India.'

BCML has enriched community lives through sustainable livelihoods, education, healthcare, sanitation, and rural infrastructure development in Uttar Pradesh (where its manufacturing facilities are located). The Company collaborates with governments, district authorities, village panchayats, NGOs and other likeminded stakeholders that widen its reach and help to leverage upon the collective expertise, wisdom and experience that these partnerships bring to the CSR activities.

The Company aims and endeavours to be a rural prosperity driver for and its CSR efforts, which are effectuated accordingly for the community members around the peripherial areas of its factories. The Company's efforts have been recognized and the company has been awarded two national level awards i.e. **"The CSR Excellence Award"**, awarded by the ICSI and **"Golden Peacock CSR"**, award by the Institute of Directors in FY 2022-23 for its CSR work.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year[73].

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					

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

Rehabilitation and Resettlement (R&R) is not applicable.

73 GRI 308-2, GRI 413-1

3. Describe the mechanisms to receive and redress grievances of the community[74].

Yes, we do have a redressal mechanism in place for the communities around our manufacturing units. However, no complaints or grievances were brought to the Company's notice.

Company's societal initiatives are structured in a way to get feedback on the interventions and also understand if communities have any views, issues, complaints and grievances related to these interventions.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers[75]:

Parameter	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers (Farmers)	100%	100%
Sourced directly from within the district and neighbouring districts	100%	100%

Note: The sugarcane is all purchased from MSME/small producers (farmers) within the district and neighbouring district.

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):

Not Applicable

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

S. No.	State	Aspirational District	Amount spent
1.	Uttar Pradesh	Balrampur	Rs 4.02 crores

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

We do not have a preferential procurement policy, however sugar manufacturing being a major agricultural activity, farmers are the key vendors from whom we procure sugarcane.

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

We procure 100% of cane from farmers

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

100% of our procurement are from local farmers from within the districts

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:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
1.	We do not engage in intellectual property based on traditional knowledge			

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
Corrective action is not applicable since we do not engage in any intellectual property activities based on traditional knowledge.		

74 GRI 2-25, GRI 413-1

75 GRI 204-1

6 Details of beneficiaries of CSR Projects[77]:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Quality Education	• 50,000+ Students Impacted • Infrastructure Support in 15+ Schools • 792 Mobile Science Lab visits	100%
2.	Quality Health care	• 65,000+ Patients Benefitted • 3 Antenatal Care Centres Supported	100%
3.	Gender Equality empowerment	• 1000 women empowered	100%
4.	Sustainable Livelihood	• 6,500+ Agriculture Equipments distributed to Farmers • 52.5% Average Increase in Annual Agriculture Income	100%
5.	Environmental conservation	• 1,84,000+ Trees Planted Across 40 Villages • 35+ Ponds Cleaned, renovated and recharged • 750+ Solar Lights Installed	100%

Through its CSR interventions, BCML has impacted more than 12 Lakh+ beneficiaries, including the marginalised section of society, in 372 communities. The most significant impact has been observed with the farmers in Uttar Pradesh, where BCML has supported this community with farm mechanisation and better agricultural inputs.

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

At BCML, we are committed to providing our consumers with goods and services that are not only safe to use but also create value for them.

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback[76].**

The Company ensures customer satisfaction by obtaining informal feedback from the whole sellers/agents from the market. Further, the website of the Company has a specific section where customers can post their queries, grievances, and feedback about the products of the Company which is then expediously resolved.

76 GRI 2-25
77 GRI 413-2

2. **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	All necessary information as per regulatory requirements are disclosed on all our products. Information about FSSAI certification is disclosed on all packaged products.
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	12 complaints were received and resolved during the FY 22-23			4 complaints were received and resolved during the FY 21-22.		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						

4. **Details of instances of product recalls on account of safety issues:**

No instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	No instances of product recalls were recorded	No product recalls were received in terms of safety of our product
Forced recalls		

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy[78].**

Company has a robust framework and policy in place concerning cybersecurity and risks associated with data privacy, the policy's availability is restricted to internal stakeholders and is not publicly accessible.

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.**

At BCML, we have had no instances related to cyber security, data privacy, product recalls or regulatory actions, and therefore no corrective actions were required. Our team remains vigilant in ensuring that our systems, products and services adhere to the highest standards of quality and security, and we continue to work towards ensuring that our stakeholders have complete trust in our operations.

Leadership Indicators

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

Our website can be accessed for product-related details. The weblink is: https://chini.com

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

We are bulk manufacturers of sugar, ethanol & potash & since it is not consumer packing, hence we do not have any display of information over and above the regulatory requirements.

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

We have established robust mechanisms to monitor and manage any potential risks of disruption or discontinuation of our essential services. In case of any such risk, we inform our customers through various channels, including our website and direct communication.

This helps us to ensure that our customers are well informed and can take the necessary steps to mitigate any potential impact.

Additionally, we continuously review and update our contingency plans to ensure that we are always prepared to manage any unexpected disruptions.

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)

Not applicable as we sell only in bulk packing

5 Provide the following information relating to data breaches:

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

We have not received any reports of data breaches

b. Percentage of data breaches involving personally identifiable information of customers

There are no instances of data breach in the present year.

Independent Auditors' Report

To the Members of
Balrampur Chini Mills Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of **Balrampur Chini Mills Limited** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "the standalone financial statements").

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 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred to as "SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditors' 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 (hereinafter referred to as "the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 31st March, 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. We have considered the matters described below to be the key audit matters for incorporation in our report.

We have fulfilled the responsibilities described in the Auditors' 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 result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our opinion on the accompanying standalone financial statements.

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
1	**Valuation and determination of Inventory** As on 31st March, 2023, the Company has inventory of sugar with the carrying value of ₹169384.98 Lakhs which forms significant part of the total assets of the Company. The inventory of sugar is valued at the lower of cost and net realizable value. Significant judgement is involved in determining: ▪ the cost of production of sugar which is dependent upon variability in seasonal factors including number of sugarcane crushing days, recovery of sugar from cane and valuation of the products produced incidental to and/ or along with the production of sugar.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the inventory include the following:** ▪ Evaluating the accounting policy followed for valuation of inventory of sugar and appropriateness thereof with respect to relevant Indian Accounting Standards in this respect. ▪ Review of the process of physical verification of sugar and its reconciliation with the book stock.

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
	▪ the realizable price of sugar which is factored considering the minimum sale price, monthly quota and fluctuation in domestic and international selling prices.	▪ Understanding and testing the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory of sugar and consistency with respect to policy followed in this respect. ▪ Evaluating the adequacy of the method used, relevance and reliability of data and the systems & procedures followed for valuing intermediary products and arriving at the cost of sugar produced by the Company. ▪ Review of the selling price of sugar prevailing at the year end and subsequent to that and directives of the Government concerning minimum sale price, monthly quota and initiative taken by the Company ensuring the compliances thereof.
2	**Recognition of Deferred tax assets and liabilities** Deferred tax assets pertaining to MAT Credit entitlement amounting to ₹11568.72 Lakhs as on 31st March, 2023, as recognized in earlier years has been continued in the books of accounts in this year. Recognition of deferred tax assets and liabilities is based on expected utilization and/ or reversal thereof considering the management's projection of future taxable income of the Company. This involves estimation of future operations and profitability based on assumptions and anticipations which may be in variance with the actual happening.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the recognition of deferred tax assets include the following:** ▪ Evaluation of the temporary differences and utilization/ reversal of deferred tax assets and liabilities based on internal forecasts by the management and resultant impact on future taxable income of the Company. ▪ The above includes critical review of underlying assumptions for consistency and arriving at reasonable level of probability on the matters with due regard to the current and past results and performances, as required in terms of Ind AS 12 "Income Taxes" and principles in this regard. ▪ Review of management's assumption with respect to profit in future periods and taxability thereof and placing reliance on such assumptions and projections given the current scale of operations and prevailing conditions and situations.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements, consolidated financial statements and our auditors' reports thereon. 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 the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report with respect to the above.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE 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 income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards notified under section 133 of the Act read with relevant rules, as amended from time to time. 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITORS' 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 auditors' 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- 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 system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 (hereinafter referred to as "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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. Further to our comments in the annexure referred to in the paragraph above, 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement 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 Indian Accounting Standards notified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time;

   e) On the basis of the written representations received from the Directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act; and

   f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal control with reference to the standalone financial statements of the Company.

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), in our opinion and to the best of our information and according to the explanations given to us:

   i. Pending litigations (other than those already recognized in the standalone financial statements) having material impact on the financial position of the Company have been disclosed in the standalone financial statements as required in terms of accounting standards and provisions of the Act– Refer note no. 36(1)(a) and 36(3)(b) 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. There has been no delay in transferring amounts 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 as disclosed in note no. 36(19A)(ii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities 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 as disclosed in note no. 36(19A)(ii) to the standalone financial statements, 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("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, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of Companies (Audit and Auditors) Rule,2014, as amended from time to time, as provided under (a) and (b) above, contain any material misstatement;

v. As stated in note no. 36(18)(b) to the standalone financial statements, the dividend declared and paid by the Company during the year is in accordance with section 123 of the Act; and

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 , as amended from time to time, for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from 1st April, 2023 to the Company and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, is not applicable for the financial year ended 31st March, 2023.

4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the remuneration (including sitting fees) paid by the Company to its Directors during the current financial year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

FOR LODHA & CO
Chartered Accountants
Firm's Registration No: 301051E

sd/-
R. P. SINGH
(Partner)
Membership No. 052438
UDIN: 23052438BGXSBZ6387

Place: Kolkata
Date: 11th May, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of M/s Balrampur Chini Mills Limited)

i. In respect of the Company's property, plant and equipment and intangible assets

a. A. The Company has maintained proper records showing full particulars, including quantitative details and situations of its property, plant and equipment;

B. The Company has maintained proper records showing full particulars of intangible assets;

b. During the year, property, plant and equipment have been physically verified by the management according to a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;

c. According to the information and explanations given to us and based on our examination of the relevant records of the Company, the title deeds of all immovable properties (other than properties where the Company is lessee and lease agreements are duly executed in favour of the lessee), as disclosed in note no. 4 on property, plant and equipment to the standalone financial statements, are held in the name of the Company as on the balance sheet date;

d. The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable to the Company; and

e. According to the information and explanations given to us and as represented by the management, no proceeding has been initiated during the year or are pending against the Company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, as amended from time to time. Accordingly, reporting under clause (i)(e) of paragraph 3 of the Order is not applicable to the Company.

ii. According to the information and explanations given to us and based on our examination of the books of account of the Company:

a. The inventories of the Company have been physically verified by the management during the year at reasonable intervals and in our opinion coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and nature of its inventories. The discrepancies noticed on physical verification of inventories were not 10% or more in aggregate for each class of inventories and have been properly dealt with in the books of the account; and

b. The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of certain current assets in respect of which monthly statements (hereinafter referred to as "Statements") have been filed with the banks. These Statements have been prepared in accordance with the books of account and there are no material differences at the end of the quarters in this respect other than those as set out below:

(₹ in Lakhs)

Quarter ended	Amount of current assets as charged to the banks		Differential amount [(Increase)/ decrease] with respect to books of account
	As per books of account	As per the Statements filed with banks	
30th June, 2022	135784.76	138976.17	(3,191.41)
30th September, 2022	46967.64	47878.52	(910.88)
31st December, 2022	64313.88	64776.56	(462.68)
31st March, 2023	192483.00	204008.87	(11,525.87)

The differences as stated above have arisen primarily due to the variation in the basis of valuation followed for inventory of sugar for respective purposes. The sugar inventory for the purpose of the Statements have been valued as per the terms of sanction letter whereas, in the books of accounts these have been carried at lower of cost or net realizable value as per the accounting policy followed in this respect by the Company. (Also refer note no. 36(19A)(iii) to the standalone financial statements).

iii. The Company has made further investments in equity shares of associate company during the year. Investments have also been made in mutual funds. Other than this, the Company has not provided any guarantee or security or granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

   a. The Company has not provided loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity and accordingly, reporting under clause (iii)(a) of paragraph 3 of the Order is not applicable to the Company;

   b. Based on the information and explanations provided by the Company, the aforesaid investments in associate are strategic in nature and other investments being in mutual funds, as such, are prima facie not prejudicial to the Company's interest; and

   c. The Company has not provided loans or advances in the nature of loans and accordingly, reporting under clauses (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of paragraph 3 of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act with respect to the investments made. The Company has not granted any loan or provided any guarantee or security as covered under section 185 of the Act and accordingly, reporting in this respect is not applicable to the Company.

v. According to the information and explanation given to us and based on our examination of the books and records of the Company, the Company has neither accepted any deposit or amount deemed to be deposits from public covered under section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly, reporting under clause (v) of paragraph 3 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 Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us and based on our examination of the books of account:

   a. During the year, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to it. There are no undisputed amounts in respect of goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable; and

   b. The details of statutory dues referred to in sub-clause (vii)(a) above, which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act	Central Sales Tax	1.08	2009-10	Dy. Commissioner, (Appeal) – Balrampur
Tax on Entry of Goods Act	Entry Tax	9.16	2008-09 to 2011-12	Additional Commissioner, Gonda
Tax on Entry of Goods Act	Interest on Entry Tax	41.23	2012-2018	High Court, Lucknow
The Indian/ Uttar Pradesh Stamp Act	Stamp Duty	110.12	1991-92 to 2010-11	High Court, Lucknow

viii. In our opinion and on the basis of information and explanations given to us and as represented by the management, we have neither come across nor have been informed of transactions which were previously not recorded in books of account and that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and accordingly, reporting under clause (viii) of paragraph 3 of the Order is not applicable to the Company.

ix. In our opinion and on the basis of information and explanations given to us and based on our examination of the books of account of the Company:

a. During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender;

b. The Company has not been declared wilful defaulter by any bank or financial institution or any other lenders;

c. The term loans raised during the year were applied for the purposes for which they were raised by the Company;

d. On an overall examination of the standalone financial statements of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company;

e. The Company has not taken any funds from any entity or person on account of or to meet obligation of its associate company. The Company does not have any subsidiaries or joint ventures; and

f. The Company has not raised loans during the year on the pledge of securities held in its associate company. The Company does not have any subsidiaries or joint ventures.

x. According to the information and explanations given to us and based on our examination of the books of account of the Company:

a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable to the Company; and

b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year and accordingly, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.

xi. a. During the course of our examination of books and records of the Company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such cases by the management;

b. According to the information and explanations given to us and based on our examination of the books and records of the Company, no report under sub-section (12) of section 143 of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended from time to time) has been filed with the Central Government. Accordingly, reporting under clause (xi)(b) of paragraph 3 of the Order is not applicable to the Company; and

c. According to the information and explanation given to us and based on our examination of the books of account of the Company, no whistle blower complaints have been received during the year by the Company. Accordingly reporting under clause (xi)(c) of paragraph 3 of the Order is not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly, the Nidhi Rules, 2014 is not applicable to it. Accordingly, reporting under clauses (xii)(a), (xii)(b) and (xii)(c) of paragraph 3 of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with provisions of sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. a. The Company has appointed a firm of Chartered Accountants to carry out the internal audit of the Company. In our opinion and according to the information and explanations given to us the internal audit system is commensurate with the size and nature of its business; and

b. We have considered, during the course of our audit, the reports of the internal auditor for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

xv. According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence, reporting under clause (xv) of paragraph 3 of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us and based on our examination of the books and records of the Company:

a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934;

b. The Company has not conducted any non-banking financial or housing finance activities during the year;

c. The Company is not a Core Investment Company as defined in the Core Investment Companies (Reserve Bank) Directions, 2016, as amended from time to time, issued by the Reserve Bank of India and accordingly, reporting under clause (xvi)(c) of paragraph 3 of the Order is not applicable to the Company; and

d. In our opinion and based on the representation received from the management, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable to the Company.

xvii. Based on the examination of the books of accounts, we report that the Company has not incurred cash losses in the current financial year covered by our audit and in the immediately preceding financial year.

xviii. There has been no resignation of statutory auditors during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and based on the financial ratios (refer note no. 36(19B) to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidences supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither given 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. According to the information and explanations given to us and based on our examination of the books and records of the Company there are no unspent amount towards Corporate Social Responsibility on either ongoing projects or other than ongoing projects as stated in section 135 of the Act and accordingly, reporting under clauses (xx)(a) and (xx)(b) of paragraph 3 of the Order is not applicable to the Company.

xxi. The reporting under clause (xxi) of paragraph 3 of the Order is not applicable in respect of audit of standalone financial statements.

FOR LODHA & CO
Chartered Accountants
Firm's Registration No: 301051E

sd/-
R. P. SINGH
(Partner)
Membership No. 052438
UDIN: 23052438BGXSBZ6387

Place: Kolkata
Date: 11th May, 2023

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in point (f) of paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of M/s Balrampur Chini Mills Limited)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (hereinafter referred to as "the Act")

We have audited the internal financial controls with reference to standalone financial statements of Balrampur Chini Mills Limited (hereinafter referred to as "the Company") as at 31st March, 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 WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements 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 (hereinafter referred to as "the Guidance Note") issued by the Institute of Chartered Accountants of India (hereinafter referred to as " the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing notified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards on Auditing 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 the 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 evidences about the adequacy of the internal financial controls system with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to 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 auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

A Company's internal financial control with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to the 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 the standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the 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 the standalone financial statements to future periods are subject to the risk that the internal financial control with reference to the 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at 31st March, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR LODHA & CO
Chartered Accountants
Firm's Registration No: 301051E

sd/-
R. P. SINGH
(Partner)
Membership No. 052438
UDIN: 23052438BGXSBZ6387

Place: Kolkata
Date: 11th May, 2023

Standalone Balance Sheet as at 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	259790.38	163267.37
(b) Capital work-in-progress	4	2428.88	20430.05
(c) Intangible assets	5	68.74	97.26
(d) Financial assets			
(i) Investment	6(i)	17499.64	15750.00
(ii) Other financial assets	7(i)	299.20	204.66
(e) Non-current tax assets (net)	8	1167.74	1142.34
(f) Other non-current assets	9	1188.49	9143.20
Total non-current assets		**282443.07**	**210034.88**
Current assets			
(a) Inventories	10	231868.16	220050.73
(b) Biological assets	11	23.67	18.95
(c) Financial assets			
(i) Investment	6(ii)	6125.06	-
(ii) Trade receivables	12	12482.31	13672.39
(iii) Cash and cash equivalents	13	30.99	32.18
(iv) Bank balances other than cash and cash equivalents	14	1158.51	295.40
(v) Other financial assets	7(ii)	928.59	274.77
(d) Other current assets	15	5156.28	3307.48
Total current assets		**257773.57**	**237651.90**
TOTAL ASSETS		**540216.64**	**447686.78**
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	16	2017.49	2040.40
(b) Other equity	17	285525.67	273775.70
Total equity		**287543.16**	**275816.10**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18(i)	42874.97	14419.87
(ii) Lease liabilities	19	82.67	91.72
(b) Deferred income	21	6.89	222.52
(c) Provisions	22(i)	1071.01	957.44
(d) Deferred tax liabilities (net)	23	12194.52	7199.53
Total non-current liabilities		**56230.06**	**22891.08**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18(ii)	144987.08	106543.03
(ii) Lease liabilities	19	16.63	16.63
(iii) Trade and other payables	24		
(a) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		308.83	205.18
Total outstanding dues of creditors other than micro enterprises and small enterprises		31293.07	27579.37
(b) Other payables			
Total outstanding dues of micro enterprises and small enterprises		617.02	406.92
Total outstanding dues of creditors other than micro enterprises and small enterprises		2968.28	2637.03
(iv) Other financial liabilities	20	12169.26	7542.21
(b) Deferred income	21	215.64	495.14
(c) Other current liabilities	25	3128.08	2880.20
(d) Provisions	22(ii)	739.53	673.89
Total Current liabilities		**196443.42**	**148979.60**
TOTAL EQUITY AND LIABILITIES		**540216.64**	**447686.78**
Accompanying notes 1 to 36 are an integral part of the standalone financial statements.			

As per our report of even date attached
For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Date: 11th May, 2023

Standalone Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from operations	26	466586.17	484602.68
Other income	27	6279.14	4791.11
Total income		**472865.31**	**489393.79**
Expenses:			
Cost of materials consumed	28	341939.67	326173.02
Changes in inventories of finished goods, by-products and work-in-progress	29	(1015.71)	19441.60
Employee benefits expense	30	36379.25	30780.44
Finance costs	31	4864.68	3086.89
Depreciation and amortisation expense	32	12950.30	11386.49
Other expenses	33	38050.19	38237.81
Total expenses		**433168.38**	**429106.25**
Profit before exceptional items and tax		**39696.93**	**60287.54**
Exceptional items	36(14)	-	5273.75
Profit before tax		**39696.93**	**65561.29**
Tax expense	34		
Current tax		6941.72	11465.79
Deferred tax		5202.05	2629.73
Total tax expense		**12143.77**	**14095.52**
Profit for the year		**27553.16**	**51465.77**
Other comprehensive income	35		
Items that will not be reclassified to profit or loss		(956.61)	(556.12)
Income tax relating to items that will not be reclassified to profit or loss		334.28	194.33
Total other comprehensive income for the year		**(622.33)**	**(361.79)**
Total comprehensive income for the year		**26930.83**	**51103.98**
(Comprising of profit and other comprehensive income for the year)			
Earnings per equity share of ₹1/- each	36(7)		
- Basic and Diluted (₹)		13.51	24.86
Weighted average number of shares used in computing earnings per share			
- Basic and Diluted		203890016	207022892

Accompanying notes 1 to 36 are an integral part of the standalone financial statements.

As per our report of even date attached
For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Date: 11th May, 2023

Standalone Statement of Changes in Equity for the year ended 31st March, 2023

(a) Equity share capital

For the year ended 31st March, 2023 (₹ in Lakhs)

Opening balance as at 1st April, 2022	Changes in equity share capital during the year [Refer note no. 16(c)]	Closing balance as at 31st March, 2023
2040.40	(22.91)	2017.49

For the year ended 31st March, 2022 (₹ in Lakhs)

Opening balance as at 1st April, 2021	Changes in equity share capital during the year [Refer note no. 16(c)]	Closing balance as at 31st March, 2022
2100.00	(59.60)	2040.40

(b) Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus					Other comprehensive income	Total other equity
	Capital reserve	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Opening balance as at 1st April, 2022	**1075.58**	**3064.08**	**89.29**	**170000.00**	**99546.75**	**-**	**273775.70**
Changes in equity during the year ended 31st March, 2023							
Profit for the year	-	-	-	-	27553.16	-	27553.16
Other comprehensive income for the year	-	-	-	-	-	(622.33)	(622.33)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**27553.16**	**(622.33)**	**26930.83**
Transfer on account of buy-back of equity shares [Refer note no. 36(4)(a)]	-	22.91	-	-	(22.91)	-	-
Utilised on account of buy-back of equity shares [Refer note no. 36(4)(a)]	-	-	-	-	(8162.23)	-	(8162.23)
Tax on buyback of equity shares [Refer note no.36(4)(a)]	-	-	-	-	(1893.47)	-	(1893.47)
Buy back expenses (net of tax ₹39.92 Lakhs) [Refer note no. 36(4)(a)]	-	-	-	-	(74.31)	-	(74.31)
Storage fund for molasses created during the year [Refer note no. 17(iv)]	-	-	66.95	-	-	-	66.95
Storage fund for molasses written back during the year [Refer note no. 17(iv)]	-	-	(33.44)	-	-	-	(33.44)
Transfer to/(from) retained earnings	-	-	-	30000.00	(30622.33)	622.33	-
Interim dividend [Refer note no. 36(18)(b)]	-	-	-	-	(5084.36)	-	(5084.36)
Closing balance as at 31st March, 2023	**1075.58**	**3086.99**	**122.80**	**200000.00**	**81240.30**	**-**	**285525.67**

Standalone Statement of Changes in Equity for the year ended 31st March, 2023 (contd.)

(b) Other equity (contd.)

(₹ in Lakhs)

Particulars	Reserves and surplus					Other comprehensive income	Total other equity
	Capital reserve	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Opening balance as at 1st April, 2021	**1075.58**	**3004.48**	**36.09**	**150000.00**	**100168.45**	**-**	**254284.60**
Changes in equity during the year ended 31st March, 2022							
Profit for the year	-	-	-	-	51465.77	-	51465.77
Other comprehensive income for the year	-	-	-	-	-	(361.79)	(361.79)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**51465.77**	**(361.79)**	**51103.98**
Transfer on account of buy-back of equity shares	-	59.60	-	-	(59.60)	-	-
Utilised on account of buy-back of equity shares	-	-	-	-	(21464.28)	-	(21464.28)
Tax on buy-back of equity shares	-	-	-	-	(4986.76)	-	(4986.76)
Buy-back expenses (net of tax ₹61.26 Lakhs)	-	-	-	-	(114.04)	-	(114.04)
Storage fund for molasses created during the year [Refer note no. 17(iv)]	-	-	53.20	-	-	-	53.20
Transfer to/(from) retained earnings	-	-	-	20000.00	(20361.79)	361.79	-
Interim dividend [Refer note no. 36(18)(b)]	-	-	-	-	(5101.00)	-	(5101.00)
Closing balance as at 31st March, 2022	**1075.58**	**3064.08**	**89.29**	**170000.00**	**99546.75**	**-**	**273775.70**

Description of nature and purposes of each reserve have been disclosed in Note No. 17.
Accompanying notes 1 to 36 are an integral part of the standalone financial statements.

As per our report of even date attached
For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

Date: 11th May, 2023

For and on behalf of the Board of Directors

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Standalone Cash Flow Statement for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
A CASH FLOW FROM OPERATING ACTIVITIES				
Profit before exceptional items and tax		39696.93		60287.54
Adjustments to reconcile profit before exceptional items and tax to net cash flow provided by operating activities:				
Finance costs	4864.68		3086.89	
Depreciation and amortisation expense	12950.30		11386.49	
Loss on sale/ discard of property, plant and equipment (net)	920.04		744.75	
Sundry debit balances/ advances written off	85.52		14.70	
Obsolete store and spares written off	34.99		1.05	
Provision for obsolescence / non-moving store and spares	-		10.58	
Transfer to storage fund for molasses	66.95		53.20	
Interest income on financial assets	(82.96)		(37.85)	
Gain on sale of investments in mutual funds	(282.15)		-	
Fair value gain on investments in mutual funds	(69.10)		-	
Dividend received from an associate	-		(1491.98)	
Liabilities no longer required written back	(242.75)		(274.62)	
Allowance for impaired receivables written back	-		(97.63)	
Bad debts written off	-		35.27	
Storage fund for molasses written back	(33.44)		-	
		18212.08		13430.85
Operating profit before working capital changes		**57909.01**		**73718.39**
Adjustments to reconcile operating profit to cash flow provided by changes in working capital:				
(Increase)/ decrease in inventories	(11852.42)		17783.35	
(Increase) in biological assets	(4.72)		(12.87)	
Decrease in trade receivables	1190.08		10936.32	
(Increase)/ decrease in other current /non-current financial assets	(676.70)		9281.92	
(Increase) in other current /non-current assets	(1463.94)		(644.53)	
(Deposit) / withdrawal from escrow account	(0.02)		20.94	
Increase /(decrease) in trade payables	4060.10		(31244.51)	
Increase in other current financial liabilities	3864.75		1950.43	
(Decrease) in other current liabilities	(174.41)		(173.30)	
(Decrease) in provisions	(777.40)		(281.32)	
		(5834.68)		7616.43
Cash generated from operations		**52074.33**		**81334.82**
Tax paid (net)		(6782.77)		(11869.59)
Net cash generated from operating activities (A)		**45291.56**		**69465.23**

Standalone Cash Flow Statement for the year ended 31st March, 2023 (contd.)

(₹ in Lakhs)

Particulars		Year ended 31st March, 2023		Year ended 31st March, 2022	
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Additions to property, plant and equipment, capital work-in-progress and intangible assets	(85609.24)		(40407.80)	
	Sale of property, plant and equipment	1254.05		760.51	
	Investment in equity shares of an associate	(1749.64)		-	
	Sale of non-current investment in equity shares of an associate (net of transaction costs)	-		7236.88	
	Fixed deposits placed with banks	(223.88)		(90.81)	
	Fixed deposits redeemed from banks	90.99		32.13	
	Dividend received from an associate	-		1491.98	
	Gain on sale of investments in mutual funds	282.15		-	
	Interest received on fixed deposits	80.29		38.32	
	Net cash (used in) investing activities (B)		**(85875.28)**		**(30938.79)**
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Payment towards buy-back of equity shares	(8185.14)		(21523.88)	
	Payment of tax towards buy-back of equity shares	(1893.47)		(4986.76)	
	Buy-back expenses	(114.23)		(175.30)	
	Deposit for buy-back of shares (escrow)	(6419.56)		-	
	Proceeds from long-term borrowings	32600.00		-	
	Proceeds from issue of Non-convertible debentures	14000.00		-	
	Transaction costs incurred for issue of Non-convertible debentures	(33.90)		-	
	Repayment of long-term borrowings	(10557.62)		(10557.62)	
	Proceeds from short-term borrowings (net)	30394.05		6849.14	
	Payment of lease liabilities	(9.05)		(8.46)	
	Interest paid	(4093.84)		(2965.04)	
	Other borrowing costs	(20.35)		(70.01)	
	Interim dividend paid	(5084.36)		(5101.00)	
	Net cash generated from/ (used in) financing activities (C)		**40582.53**		**(38538.93)**
	Net (decrease) in cash and cash equivalents (A+B+C)		**(1.19)**		**(12.49)**
	Opening cash and cash equivalents		32.18		44.67
	Closing cash and cash equivalents for the purpose of Standalone Cash Flow Statement		**30.99**		**32.18**

Footnotes:

1) The above Standalone Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

2) Cash and cash equivalents do not include any amount which is not available to the Company for its use.

Standalone Cash Flow Statement for the year ended 31st March, 2023 (contd.)

3) Change in Company's liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	Cash flows*	Non-Cash Flows	As at 31st March, 2023
a) Non-current borrowings from banks [Refer note no. 18 (i)]	14419.87	46566.10	(18111.00)	42874.97
b) Current maturities of long term debt [Refer note no. 18 (ii)]	10557.62	(10557.62)	18607.62	18607.62
c) Short term borrowings# [Refer note no. 18 (ii)]	95985.41	30394.05	-	126379.46
d) Interest accrued but not due on borrowings [Refer note no. 20]	377.90	(377.90)	1126.90	1126.90
e) Lease liabilities [Refer note no. 19]	108.35	(16.63)	7.58	99.30
Total	**121449.15**	**66008.00**	**1631.10**	**189088.25**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	Cash flows*	Non-Cash Flows	As at 31st March, 2022
a) Non-current borrowings from banks [Refer note no. 18 (i)]	24227.34	-	(9807.47)	14419.87
b) Current maturities of long term debt [Refer note no. 18 (ii)]	10557.62	(10557.62)	10557.62	10557.62
c) Short term borrowings# [Refer note no. 18 (ii)]	89136.27	6849.14	-	95985.41
d) Interest accrued but not due on borrowings [Refer note no. 20]	326.06	(326.06)	377.90	377.90
e) Lease liabilities [Refer note no. 19]	116.81	(16.63)	8.17	108.35
Total	**124364.10**	**(4051.17)**	**1136.22**	**121449.15**

* Includes cash flows on account of both principal and interest.
# Cash flows represents cash flows during the year on net basis.

4) The Company has incurred ₹1194.74 Lakhs (Previous year: ₹1119.67 Lakhs) in cash on account of Corporate Social Responsibility (CSR) expenditure during the year ended 31st March 2023.

5) Cash and cash equivalents as at the Balance Sheet date consists of:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
a) Balance with banks	1.83	2.69
b) Cash on hand	29.16	29.49
Closing cash and cash equivalents (Refer note no. 13)	**30.99**	**32.18**

Accompanying notes 1 to 36 are an integral part of the standalone financial statements.

As per our report of even date attached
For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Date: 11th May, 2023

Notes forming part of the Standalone Financial Statements
for the year ended 31st March, 2023

1A. Corporate information

Balrampur Chini Mills Limited ("BCML" or "Company") having Corporate Identity Number ("CIN") L15421WB1975PLC030118 is a public limited company incorporated under the provisions of the Companies Act, domiciled in India, and has its registered office located at FMC Fortuna, 2nd Floor, 234/ 3A, A. J. C. Bose Road, Kolkata – 700020, West Bengal, India.

The Company's shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

The Company is one of the major integrated sugar manufacturing companies in India. The principal activity of the Company is manufacturing and sale of sugar. Besides this, the allied business activities of the Company primarily consist of manufacturing and sale of ethanol, ethyl alcohol, generation and sale of co-generated power, and manufacturing and sale of agricultural fertilizers.

The standalone financial statements for the year ended 31st March, 2023 were approved for issue by the Company's Board of Directors on 11th May, 2023 and are subject to adoption by the shareholders in the ensuing Annual General Meeting.

1B. Basis of preparation

These standalone financial statements ("financial statements") have been prepared under Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act (to the extent notified) and presentation requirements of Division II of Schedule III to the Act, as applicable to the standalone financial statements under historical cost convention and on an accrual basis, except certain financial instruments and biological assets which are measured in terms of relevant Ind AS at fair value/ cost/ amortised cost.

All Ind AS issued and notified till the standalone financial statements are approved for issue by the Board of Directors have been considered in preparing these standalone financial statements.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

All the assets and liabilities (other than Deferred tax assets/ liabilities) have been classified as current or non-current as per Company's normal operating cycle, and other criteria set out in Division II of Schedule III to the Act. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified its operating cycle as 12 months for current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are considered non-current.

The items included in the standalone financial statements (including notes thereon) are measured using the currency of the primary economic environment in which the Company operates ("the functional currency") and are, therefore, presented in Indian Rupees ("INR" or "Rupees" or "Rs." or " ₹"). All amounts disclosed in the standalone financial statements, including notes thereon, have been rounded off to the nearest two decimals of Lakhs unless otherwise stated.

1C. Recent pronouncements

(i) New and revised standards adopted by the Company

Effective 1st April, 2022, the Company has adopted the amendments vide Companies (Indian Accounting Standards) Amendment Rules, 2022 notifying amendment to existing Indian Accounting Standards.

These amendments to the extent relevant to the Company's operations were relating to :

Ind AS 16 "Property, Plant and Equipment" which clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in profit or loss but deducted from the directly attributable costs considered as part of cost of an item of Property, plant and equipment; and

Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" which specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

1C. Recent pronouncements (contd.)

There were other amendments in various Indian Accounting Standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations", Ind AS 109 "Financial Instruments", and Ind AS 41 "Agriculture" which have not been listed herein above since these are either not relevant or material to the Company.

Revision in these standards did not have material impact on the profit/ loss and earnings per share for the year.

(ii) Standards issued but not yet effective

On 31st March, 2023, Ministry of Corporate Affairs (MCA) has made certain amendments to existing Indian Accounting Standards vide Companies (Indian Accounting Standards) Amendment Rules, 2023.

These amendments to the extent relevant to the Company's operations include amendment to

Ind AS 1 “Presentation of Financial Statements” which requires the entities to disclose their material accounting policies rather than their significant accounting policies,

Ind AS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” which has introduced a definition of ‘accounting estimates’ and include amendments to help entities distinguish changes in accounting policies from changes in accounting estimates.

Further, consequential amendments with respect to the concept of material accounting policies have also been made in Ind AS 107 "Financial Instruments: Disclosures" and Ind AS 34 “Interim Financial Reporting”.

There are other amendments in various standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations, Ind AS 109 "Financial Instruments " Ind AS 115 “Revenue from Contracts with Customers”, Ind AS 12 “Income Taxes” which has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and Ind AS 102 “Share-based Payment” which have not been listed herein above since these are either not material or relevant to the Company.

Even though the company will evaluate the impact of above, these amendments as such are not vital in nature and are not likely to have material impact on the financial statements of the Company.

2. Significant accounting policies

2.1 Operating and Other income

(a) Revenue from operations

Revenue from contracts with customers is accounted for only when it has commercial substance, and all the following criteria are met:

(i) parties to the contract have approved the contract and are committed to performing their respective obligations;

(ii) each party’s rights regarding the goods or services to be transferred and payment terms there against can be identified;

(iii) consideration in exchange for the goods or service to be transferred is collectible and determinable.

The revenue is recognized on satisfaction of performance obligation, when control over the goods or services has been transferred and/ or goods/ services are delivered/ provided to the customers. Delivery occurs when the goods have been shipped or delivered to a specific location, and the customer has either accepted the goods under the contract or the Company has sufficient evidence that all the criteria for acceptance have been satisfied.

Revenue is measured at the amount of transaction price (consideration specified in the contract with the customers) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of discounts offered by the Company and excludes amounts collected on behalf of third parties.

2. Significant accounting policies (contd.)

(b) Other income

(i) Interest income

For all debt instruments, measured at amortized cost, interest income is recognized using the Effective Interest Rate ("EIR"). Interest income is included in "Other income" in the Statement of Profit and Loss.

(ii) Dividend income

Dividend income is recognized when Company's right to receive the dividend is established, i.e., in the case of interim dividend, on the date of declaration by the Board of Directors; whereas in the case of final dividend, on the date of approval by the shareholders.

(iii) Insurance claims

Insurance claims are accounted for based on claims admitted/ expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.2 Property, plant and equipment ("PPE") and Capital work-in-progress ("CWIP")

(a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, including non-recoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the asset's cost until such time that the asset is ready for its intended use.

(b) Costs incurred subsequent to initial capitalization are included in the assets' carrying amount only when it is probable that future economic benefits will flow to Company and can be measured reliably.

The carrying amount of the replaced part is derecognized. However, the costs of regular servicing of property, plant and equipment are recognized in the Statement of Profit and Loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for provisions are met.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components. Otherwise, these are added to and depreciated over the useful life of the main asset.

The cost and related accumulated depreciation and impairment losses, if any, are eliminated from the standalone financial statements upon sale or when no future economic benefits are expected to arise from the use of the asset, and the resultant gains or losses are recognized in the Statement of Profit and Loss.

(c) Property, plant and equipment include leasehold land classified as Right-of-use assets.

(d) Depreciation methods, estimated useful lives and residual value

Depreciation on items of property, plant and equipment commences when the assets are available for their intended use. It is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset specified under Schedule II to the Companies Act, 2013, except in respect of items of "Plant and equipment" and "Vehicles" whose estimated useful lives are determined based on technical assessment and evaluation made by the technical expert to reflect the actual usage of the assets and past history of its replacement.

The estimated useful lives considered are as follows:

Category	As on 31st March, 2023
Buildings	03 - 60 years
Roads	03 - 10 years
Plant and equipment	05 - 25 years
Furniture and fixtures	10 years
Vehicles	05- 10 years
Office equipment	03 - 05 years
Computers	03 - 06 years
Electrical installations and equipment	05 - 10 years
Pipelines	15 years

2. Significant accounting policies (contd.)

The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Each item of property, plant and equipment individually costing ₹5000/- or less is depreciated over one year from the date the said asset is available for use.

The residual values of assets (individually costing more than ₹5000/-) are not more than 5% of the asset's original cost.

The estimated useful lives, residual values, and depreciation method are reviewed at least annually during each financial year-end and adjusted prospectively, wherever appropriate.

(e) **Treatment of expenditure during construction period:**

Property, plant and equipment that are not ready for intended use on the balance sheet date are disclosed as "Capital work-in-progress". Advances paid towards acquisition/construction of property, plant and equipment outstanding at each balance sheet date are classified as Capital advances under "Other non-current assets".

Directly attributable expenditures (including finance costs relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects under implementation are treated as pre-operative expenses pending allocation to the assets and are shown under "Capital work-in-progress".

2.3 Intangible assets

(a) Intangible assets are measured at cost, less accumulated amortization, and impairment losses, if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/ system integration services, and any directly attributable expenses, wherever applicable, for bringing the asset to its working condition for the intended use.

Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset.

(b) **Amortization methods estimated useful lives and residual value**

Computer software is amortized on a straight-line basis over its estimated useful lives of five years from the date they are available for use.

The estimated useful lives, residual values, and amortization method are reviewed at least annually during each financial year-end and adjusted prospectively, wherever appropriate.

(c) The cost and related accumulated amortization are eliminated from the standalone financial statements upon sale or retirement of the asset. And, the resultant gains or losses are recognized in the Statement of Profit and Loss.

2.4 Inventories

(a) Inventories (other than By-products and Scraps) are valued at lower of cost and net realizable value after providing for obsolescence, if any.

Cost of inventory comprises the purchase price, cost of conversion, and other directly attributable costs incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories. The cost of inventories is computed on a weighted average basis.

Net realizable value ("NRV") 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.

(b) By-products and Scraps are valued at net realizable value.

2. Significant accounting policies (contd.)

2.5 Biological assets

Biological assets comprise Standing crops (crops under development) of sugarcane.

The biological process starts with the preparation of land for planting and seedlings and ends with harvesting crops. For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example, seedlings planted immediately before the balance sheet date), assets are measured at cost, i.e., the total expenses incurred on such plantation up to the balance sheet date. When harvested, depending upon the biological process stage, the cane is transferred to inventory at cost or at a fair value less cost to sell.

2.6 Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received, and the Company will comply with all the conditions attached to them.

Government grants related to property, plant and equipment, including non-monetary grants, are presented in the Balance sheet by deducting the grant from the asset's carrying amount.

Government grants of revenue in nature are recognized on a systematic basis in the Statement of Profit and Loss over the period necessary to match them with the related costs and are adjusted with the related expenditure. If not related to a specific expenditure, it is considered income and included under "Other operating revenue" or "Other income", as applicable.

The benefits of a government loan at a below-market rate of interest or loan with interest subvention are treated as government grants. The loan or assistance is initially recognized at fair value. The government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognized on a systematic basis in the Statement of Profit and Loss. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

2.7 Borrowing costs

Borrowing costs, general or specific that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.8 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

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

Right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

2. Significant accounting policies (contd.)

Leasehold land classified as Right-of-use assets is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

2.9 Provisions, contingent liabilities, and contingent assets

(a) A provision is recognized if, as a result of a past event, Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognized for future operating losses.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as of the balance sheet date, considering the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset. Accordingly, the expense relating to the provision is presented in the Statement of Profit and Loss, net of any reimbursement.

(b) Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(c) Contingent asset is not recognized in the standalone financial statements; however, is disclosed where an inflow of economic benefits is probable.

(d) Provisions, Contingent liabilities, and Contingent assets are reviewed at each balance sheet date.

2.10 Dividend payable

The final dividend on equity shares is recorded as a liability on the date of approval by the shareholders. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Accordingly, a corresponding amount is recognized directly in Equity.

2.11 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding on the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Any income or expense arising on foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

Non-monetary items carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

2.12 Employee benefits

(a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits, are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered.

2. Significant accounting policies (contd.)

(b) Defined contribution plans

The Company pays provident and other fund contributions to publicly administered funds as per related Government regulations.

The Company has no further obligation other than the contributions payable to the respective funds. The Company recognizes contribution payable to such funds as an expense when an employee renders the related service.

(c) Defined benefit plans

The Company operates a defined benefit gratuity plan, and the contribution towards it is made to "The Balrampur Sugar Company Limited Employees Gratuity Fund" ("the Trust"). Trustees administer contributions made to the Trust, which are invested through insurance companies.

The liability or asset recognized in the Balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated by external actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in Other comprehensive income in the period they occur and are subsequently transferred to Retained earnings.

(d) Compensated absences

The employees of the Company are entitled to compensated absences that are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using the projected unit credit method for the unused entitlement accumulated at the balance sheet date.

The benefits are discounted using the market yields at the end of the balance sheet date that has terms approximating the terms of the related obligation. Re-measurements resulting from experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

2.13 Financial instruments

Financial assets and financial liabilities are recognized in the Balance sheet when the Company becomes a party to the contractual provisions of financial instruments. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

The Company categorizes financial assets and financial liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(i) Level 1: Quoted prices (unadjusted) in active markets for identical financial assets or financial liabilities that the Company can access at the measurement date.

(ii) Level 2: Inputs other than quoted prices included within level 1 observable for the financial asset or financial liability, either directly or indirectly.

(iii) Level 3: Unobservable inputs for the financial asset or financial liability.

A. Financial assets

I. Initial recognition and measurement

The financial assets include investments, trade receivables, loans and advances, cash and cash equivalents, bank balances other than cash and cash equivalents, derivative financial instruments, and other financial assets.

Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

2. Significant accounting policies (contd.)

II. Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

(i) at amortized cost,

(ii) at fair value through other comprehensive income (FVTOCI), and

(iii) at fair value through profit or loss (FVTPL).

(a) Financial assets at amortized cost

A 'financial asset' is measured at the amortized cost if the following two conditions are met:

(i) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortized cost is determined using the Effective Interest Rate ("EIR") method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

(b) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held both for collection of contractual cash flows and for selling the financial assets, and contractual terms of the financial assets give rise to cash flows representing solely payments of principal and interest.

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

Financial assets that are not classified in any of the categories above are classified at fair value through profit or loss.

(d) Equity investments

Equity investments in the scope of Ind AS 109 are measured at fair value except for investments in associates, which are carried at cost.

The Company makes an election to present changes in fair value either through other comprehensive income or through profit or loss on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, are recognized in other comprehensive income. However, dividends on equity instruments on FVTOCI is recognised in profit or loss. In addition, profit or loss arising on sale is also taken to other comprehensive income. The amount accumulated in this respect is transferred within the Equity on derecognition.

III. De-recognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

B. Financial liabilities

I. Initial recognition and measurement

The financial liabilities include trade and other payables, loans and borrowings, including book overdrafts, derivative financial instruments, etc.

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

2. Significant accounting policies (contd.)

II. **Subsequent measurement**

For subsequent measurement, financial liabilities are classified into two categories:

(i) Financial liabilities at amortized cost, and

(ii) Derivative instruments at fair value through profit or loss (FVTPL).

Financial liabilities at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. When the financial liabilities are derecognized, gains and losses are recognized in profit or loss. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

III. **De-recognition**

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

C. Derivative financial instruments

Initial recognition and subsequent measurement

A derivative financial instrument, such as foreign exchange forward contracts, is used to hedge foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date 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.

D. Offsetting of financial instruments

Financial assets and financial liabilities, including derivative financial instruments, are offset, and the net amount is reported in the Balance sheet if there is currently an enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

E. Equity share capital

Ordinary shares are classified as Equity.

An equity instrument is a contract that evidences a residual interest in the Company's assets after deducting all its liabilities.

Incremental costs directly attributable to the issuance of new equity shares and buy-back of equity shares are shown as a deduction from the Equity net of any tax effects.

2.14 Impairment of Assets

(a) Non-financial assets

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs of disposal, and its value in use.

To assess impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

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.

If, at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed so that the asset is recognized at its recoverable amount but not exceeding the value which would have been reported in this respect if the impairment loss had not been recognized.

2. Significant accounting policies (contd.)

(b) Financial assets

The Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortized cost.

The Company recognizes lifetime expected credit losses for trade receivables. Loss allowance equal to the lifetime expected credit losses are recognized if the credit risk of the financial asset has significantly increased since initial recognition.

2.15 Taxes

Income tax expense comprises current tax and deferred tax. It is recognized in the profit or loss except to the extent it relates to items directly recognized in Equity or Other comprehensive income (OCI).

(a) Current tax

Current tax assets and liabilities for the current and earlier periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws enacted or substantively enacted by the balance sheet date and applicable for the period.

In correlation to the underlying transaction relating to Other comprehensive income and Equity, current tax items are recognized in Other comprehensive income and Equity, respectively.

Management periodically evaluates positions taken in the tax returns to situations in which applicable tax regulations are subject to interpretation. Then, full provisions are made where appropriate based on the amount expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

(b) Deferred tax

Deferred tax assets and liabilities are recognized for the deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes at the balance sheet date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits (MAT), and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits, and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 utilized.

Deferred tax items in correlation to the underlying transaction relating to Other comprehensive income and Equity are recognized in Other comprehensive income and Equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Minimum Alternate Tax (MAT)

Deferred tax assets include Minimum Alternative Tax (MAT) paid under the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability.

2. Significant accounting policies (contd.)

Accordingly, MAT is recognized as a deferred tax asset in the Balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realized.

2.16 Earnings per Share

(a) Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of outstanding equity shares.

(b) Diluted earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares that could be issued on the conversion of all dilutive potential equity shares.

2.17 Segment reporting

Operating segments are identified and reported considering the different risks and return organizational structure and internal reporting systems to the Chief Operating Decision Maker (CODM).

2.18 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks, and short-term highly liquid investments with an original maturity of three months or less and carry an insignificant risk of changes in value.

For reporting standalone cash flow statement, cash and cash equivalents consist of cash on hand, cheques on hand, balance with banks, and short term highly liquid investments, as stated above, net of outstanding book overdrafts, as they are considered an integral part of the Company's cash management.

2.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing flows. Accordingly, the Company's cash flows from operating, investing, and financing activities are segregated.

2.20 Exceptional items

Exceptional items include income or expenses that are part of ordinary activities. However, they are of such significance and nature that separate disclosure enables the user of financial statements to understand the impact more clearly. These items are identified by their size or nature to facilitate comparison with prior periods and assess underlying trends in the Company's financial performance.

3. Use of critical estimates, judgements and assumptions

The preparation of the standalone financial statements in conformity with the measurement principle under Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent assets and liabilities.

The estimates, judgements and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected.

3. Use of critical estimates, judgements and assumptions (contd.)

The application of accounting policies that require critical judgements and accounting estimates involving complex and subjective judgements and the use of assumptions in these standalone financial statements have been disclosed herein below.

(i) Estimated useful life of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed at-least annually during each financial year end. The lives are based on technical evaluation, technological obsolesces and historical experience with similar assets as well as anticipation of future events, which may impact their lives. This re-assessment may result in a change in depreciation and amortization expense in future periods.

(ii) Current taxes and deferred taxes

Significant judgement is required in the determination of the taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes and option to be exercised for application of reduced rates of taxation on possible cessation of tax deduction and exhaustion of MAT credit entitlement in future years based on estimates of future taxable profits.

Deferred tax assets are recognized for unused losses (carry forward of earlier years' losses) and unused tax credit to the extent that taxable profit would probably be available against which the losses and tax credit could be utilized. Significant 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 together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each balance sheet date with consequential change being given effect to in the year of determination.

(iii) Retirement benefit obligations

The Company's retirement benefit obligations, cost of the defined benefit gratuity plan and the present value of the gratuity obligation 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, inflation, future salary increments 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-least annually during each financial year end.

(iv) Fair value measurements of financial instruments

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets are determined using valuation techniques including the Discounted Cash Flow (DCF) model. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions at regular intervals.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Provisions, Contingent liabilities and Contingent assets

The timing of recognition and quantification of the provisions, contingent liabilities and contingent assets require the application of judgement to existing facts and circumstances which are subject to change on the actual occurrence or happening. Judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claims/ litigations against the Company and possible inflow of resources in respect of the claims made by the Company which has been considered to be contingent in nature. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Note No. : 4 - Property, plant and equipment and Capital work-in-progress

(₹ in Lakhs)

Particulars	Property, plant and equipment												Capital work-in-progress @
	Land (Free hold)	Land (Right-of-use)	Buildings	Roads	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Electrical installation and equipment	Pipelines	Total	
Gross block													
Gross carrying amount as at the beginning of 1st April, 2022	7631.91	584.67	46808.50	2804.72	139172.84	1499.02	2046.95	385.00	1251.77	18086.53	12719.31	232991.22	20430.05
Additions during the year	6219.06	-	13695.24	4382.15	65994.35	507.59	736.58	122.92	253.42	11032.01	8665.90	111609.22	85725.67
Disposals/deductions during the year	-	-	197.39	1.98	3160.26	14.83	347.97	13.26	63.93	382.01	89.53	4271.16	103726.84
Gross carrying amount as at the end of 31st March, 2023	13850.97	584.67	60306.35	7184.89	202006.93	1991.78	2435.56	494.66	1441.26	28736.53	21295.68	340329.28	2428.88
Depreciation													
Accumulated depreciation as at the beginning of 1st April, 2022	-	89.50	9518.38	1716.50	41310.09	660.56	998.33	192.23	804.79	8931.02	5502.45	69723.85	-
Depreciation for the year	-	29.21	1718.47	330.50	7815.42	163.00	374.18	65.96	183.21	1433.72	798.96	12912.63	-
Disposals/deductions during the year	-	-	84.22	0.85	1319.17	11.64	307.70	11.63	56.88	226.11	79.38	2097.58	-
Accumulated depreciation as at the end of 31st March, 2023	-	118.71	11152.63	2046.15	47806.34	811.92	1064.81	246.56	931.12	10138.63	6222.03	80538.90	-
Net carrying amount as at the end of 31st March, 2023	13850.97	465.96	49153.72	5138.74	154200.59	1179.86	1370.75	248.10	510.14	18597.90	15073.65	259790.38	2428.88
Gross block													
Gross carrying amount as at the beginning of 1st April, 2021	6604.67	584.67	44730.05	2636.73	133079.42	1213.72	1826.24	266.55	1038.76	15625.62	11774.16	219380.59	1447.90
Additions during the year	1034.27	-	2159.52	168.03	8311.16	305.63	459.80	132.61	239.43	2566.28	972.10	16348.83	33092.62
Disposals/deductions during the year	7.03	-	81.07	0.04	2217.74	20.33	239.09	14.16	26.42	105.37	26.95	2738.20	14110.47
Gross carrying amount as at the end of 31st March, 2022	7631.91	584.67	46808.50	2804.72	139172.84	1499.02	2046.95	385.00	1251.77	18086.53	12719.31	232991.22	20430.05
Depreciation													
Accumulated depreciation as at the beginning of 1st April, 2021	-	60.32	7971.02	1487.45	35126.73	542.42	882.56	146.63	679.95	8006.81	4701.30	59605.19	-
Depreciation for the year	-	29.18	1600.32	229.05	7043.22	130.39	310.92	58.19	147.59	989.47	813.27	11351.60	-
Disposals/deductions during the year	-	-	52.96	-	859.86	12.25	195.15	12.59	22.75	65.26	12.12	1232.94	-
Accumulated depreciation as at the end of 31st March, 2022	-	89.50	9518.38	1716.50	41310.09	660.56	998.33	192.23	804.79	8931.02	5502.45	69723.85	-
Net carrying amount as at the end of 31st March, 2022	7631.91	495.17	37290.12	1088.22	97862.75	838.46	1048.62	192.77	446.98	9155.51	7216.86	163267.37	20430.05

@ Refer note no. 4A

Footnotes:

a) Depreciation capitalised and transferred to Capital work in progress ₹0.45 Lakhs (Previous year: ₹4.56 Lakhs) - Refer note no. 4A.

b) The finance costs on borrowings capitalised during the year amounted to ₹216.87 Lakhs (Previous year: ₹Nil) using the capitalisation rate of 3.68% (Previous year: Nil %) per annum which is the effective interest rate on such borrowings. [Refer note no. 36(8) for other disclosures]

c) The Company has availed loans from banks against security of the fixed assets (i.e. property, plant and equipment) as referred in note no. 18.

d) Buildings include ₹1.66 Lakhs (Previous year: ₹1.66 Lakhs) being cost of 79833 (Previous year 79833) equity shares of Fortuna Services Ltd.

e) For capital commitment with regards to property plant and equipment, Refer note no. 36(1)(b)

Notes forming part of the Standalone Financial Statements
for the year ended 31st March, 2023

Note No. : 4 A - Capital work-in-progress

(₹ in Lakhs)

Particulars	As at 31s March, 2023		As at 31st March, 2022	
Building, plant and equipment , electrical installations etc.				
Additions during the year		84546.12		32453.52
(A)		**84546.12**		**32453.52**
Preoperative and trial run expenses				
Additions during the year :				
Cost of materials consumed		209.72		28.05
Employee benefits expense				
Salaries and wages	188.99		108.42	
Contribution to provident and other funds	17.35		9.53	
Staff welfare expense	2.80	209.14	1.56	119.51
Finance costs [Refer note no. 4(b)]				
Interest	216.59		-	
Other borrowing cost	0.28	216.87	-	-
Depreciation and amortisation expense		0.45		4.56
Other expenses				
Consumption of stores				
Other than process chemicals	0.71		2.41	
Power and fuel	120.31		200.63	
Rent	-		19.49	
Insurance	8.29		0.86	
Rates and taxes (excluding taxes on income)	38.11		8.10	
Professional expenses	201.30		170.91	
Miscellaneous expenses	174.65	543.37	84.58	486.98
(B)		**1179.55**		**639.10**
Total additions during the year C= (A+B)		**85725.67**		**33092.62**
Balance brought forward				
Building, plant and equipment, electrical installations etc. (D)		20430.05		1447.90
E = (C+D)		**106155.72**		**34540.52**
Capitalised during the year (F)		103726.84		14110.47
Capital work-in-progress at the end of the year G= (E-F)		**2428.88**		**20430.05**

Footnote

The Company has commenced commercial production of industrial alcohol in its new distillery at Maizapur Unit with a capacity of 320 KLPD and additional capacity of 170 KLPD at Balrampur Unit on 16th November, 2022 and 19th December, 2022 respectively, taking the total distillation capacity of the Company to 1050 KLPD.

Note No. : 4 A - Capital work-in-progress (contd.)

Capital work-in-progress ageing schedule:

As at the end of 31st March, 2023

(₹ in Lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (includes goods in transit)	2283.19	145.69	-	-	2428.88
Projects temporarily suspended	-	-	-	-	-
Total	**2283.19**	**145.69**	**-**	**-**	**2428.88**

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (includes goods in transit)	20360.16	69.89	-	-	20430.05
Projects temporarily suspended	-	-	-	-	-
Total	**20360.16**	**69.89**	**-**	**-**	**20430.05**

Note No. : 5 - Intangible assets

(₹ in Lakhs)

Particulars	Computer software
Gross block	
Gross carrying amount as at the beginning of 1st April, 2022	638.39
Additions during the year	10.11
Disposals/deductions during the year	34.96
Gross carrying amount as at the end of 31st March, 2023	**613.54**
Amortisation	
Accumulated amortisation as at the beginning of 1st April, 2022	541.13
Amortisation for the year	38.12
Disposals/deductions during the year	34.45
Accumulated amortisation as at the end of 31st March, 2023	**544.80**
Net carrying amount as at the end of 31st March, 2023	**68.74**
Gross block	
Gross carrying amount as at the beginning of 1st April, 2021	585.49
Additions during the year	53.76
Disposals/deductions during the year	0.86
Gross carrying amount as at the end of 31st March, 2022	**638.39**
Amortisation	
Accumulated amortisation as at the beginning of 1st April, 2021	502.54
Amortisation for the year	39.45
Disposals/deductions during the year	0.86
Accumulated amortisation as at the end of 31st March, 2022	**541.13**
Net carrying amount as at the end of 31st March, 2022	**97.26**

Note No. : 6 - Investments

(i) Non-current

(₹ in Lakhs)

Particulars	Face value	Number of shares	As at 31st March, 2023	Number of shares	As at 31st March, 2022
Carried at cost					
Investment in equity instruments					
Fully paid up :					
Unquoted					
Investment in associate					
Auxilo Finserve Pvt. Ltd.	₹10	165292000	17499.64	155000000	15750.00
[Refer note no. 36(15)]					
			17499.64		**15750.00**
Aggregate amount of quoted investments			Not applicable		Not applicable
Aggregate market value of quoted investments			Not applicable		Not applicable
Aggregate amount of unquoted investments			17499.64		15750.00
Aggregate amount of impairment in value of investments			-		-
Aggregate amount of investments carried at cost			17499.64		15750.00

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Company	
			As at 31st March, 2023	As at 31st March, 2022
Auxilo Finserve Pvt. Ltd.	Financing activities in education sector in India	Mumbai	43.93%	44.36%

(ii) Current

(₹ in Lakhs)

Particulars	Number of units	As at 31st March, 2023	Number of units	As at 31st March, 2022
Measured at fair value through profit or loss				
Investment in mutual funds				
Unquoted				
Kotak Overnight Fund Direct - Growth *	512217.348	6125.06	-	-
		6125.06		-
Aggregate amount of quoted investments		Not applicable		Not applicable
Aggregate market value of quoted investments		Not applicable		Not applicable
Aggregate amount of unquoted investment		6125.06		-
Aggregate amount of impairment in value of investments		-		-
Aggregate amount of investment measured at fair value through profit or loss		6125.06		-

* Investments earmarked for buy-back of equity shares

Note No. : 7 - Other financial assets (carried at amortised cost)

(i) Non-current (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security deposits	116.87	92.11
Fixed deposits with banks		
(With more than 12 months maturity)		
With excise authorities (Pledged)	175.19	106.20
Interest accrued but not due on		
Fixed deposits with banks	7.14	6.35
	299.20	**204.66**

(ii) Current (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Advance to employees		222.57		183.93
Claims receivable *		700.17		86.87
Interest accrued but not due on				
Fixed deposits with banks	4.97		2.52	
Other deposits	0.88	5.85	1.45	3.97
		928.59		**274.77**

* Includes claim for interest subvention [Refer note no. 36(8)]

Note No. : 8 - Non-current tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance tax	64019.12	57085.28
Less : Provision for taxation	62851.38	55942.94
	1167.74	**1142.34**

Note No. : 9 - Other non-current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Capital advances		828.87		8295.99
Advances other than capital advances				
Other advances				
Advances to suppliers and others - Considered doubtful	9.31		9.31	
Less: Allowance for bad and doubtful advances	9.31	-	9.31	-
Others				
Prepaid expenses	276.50		240.12	
Duties and taxes paid under protest	83.12	359.62	607.09	847.21
		1188.49		**9143.20**

Note No. : 10 - Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Raw materials	20079.89		10290.63	
Add : Goods-in-transit	48.38	20128.27	73.45	10364.08
Packing materials		524.04		324.23
Work-in-progress				
Sugar and syrup	3127.58		2791.64	
By-products	621.45	3749.03	371.08	3162.72
Finished goods				
Sugar	169384.98		179471.85	
Industrial alcohol	9132.40		945.53	
Banked power	243.74		246.11	
Others	70.59		46.16	
	178831.71		180709.65	
Add : Goods-in-transit	2414.56	181246.27	616.46	181326.11
Stores and spares	7892.99		7000.49	
Add : Goods-in-transit	244.24		170.35	
	8137.23		7170.84	
Less: Provision for obsolescence/ non-moving				
stores and spares [Refer note no. 33]	10.58	8126.65	10.58	7160.26
Loose tools		0.16		0.16
By-products		17956.48		17659.00
Scrap		137.26		54.17
		231868.16		**220050.73**
Footnotes:				
(i) Carrying amount of inventories pledged as security for borrowings (Refer note no. 18 for charge created/ security terms against borrowings)		196509.59		205422.25
(ii) Amount of write-down of inventories recognised as expense		459.52		1144.79
(iii) Refer note no. 2.4 for mode of valuation				

Note No. : 11 - Biological assets

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Reconciliation of changes in book value of biological assets:		
Opening balance	18.95	6.08
Additions during the year	44.69	40.81
Decrease due to harvested sugarcane transferred to inventory *	39.97	27.94
Closing balance	**23.67**	**18.95**

* Includes sugarcane captively consumed

Note No. : 12 - Trade receivables (carried at amortised cost)

Current (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade receivables	12482.31	13672.39
	12482.31	**13672.39**

Trade receivables ageing schedule

As at the end of 31st March, 2023

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	10948.90	1533.29	0.12	-	-	-	12482.31
Total	**10948.90**	**1533.29**	**0.12**	**-**	**-**	**-**	**12482.31**

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	8948.69	4713.15	10.55	-	-	-	13672.39
Total	**8948.69**	**4713.15**	**10.55**	**-**	**-**	**-**	**13672.39**

Other information

(i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Details relating to the Company's credit risk management have been given in Note No. 36(17)(b).

Note No. : 13 - Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks	1.83	2.69
Cash on hand	29.16	29.49
	30.99	**32.18**

Note No. : 14 - Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Earmarked balances		
Fixed Deposit for buy-back		
Original maturity period less than 3 months	363.60	-
Fixed deposits for molasses storage fund	140.80	104.68
Unpaid dividend accounts *	611.98	176.39
Other bank balances **	9.18	9.16
Fixed deposits pledged with excise authorities	32.95	5.17
	1158.51	**295.40**
* Includes tax deducted at source on interim dividend not yet due as on the balance sheet date and deposited subsequently	422.29	-
** Balances in subsidy accounts and escrow accounts for cane payment		

Note No. : 15 - Other current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Advances other than capital advances				
Other advances				
Advances to suppliers and others	2709.17		1557.20	
Income tax refundable	68.61		85.82	
GST and other taxes/ duties	993.76	3771.54	633.65	2276.67
Others				
Prepaid expenses	1359.32		1005.40	
Miscellaneous	25.42	1384.74	25.41	1030.81
		5156.28		**3307.48**

Note No. : 16 - Share capital

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of Shares	(₹ in Lakhs)	Number of Shares	(₹ in Lakhs)
(a) Authorised				
Equity shares of ₹1/- each	400000000	4000.00	400000000	4000.00
Preference shares of ₹100/- each	2500000	2500.00	2500000	2500.00
		6500.00		**6500.00**
(b) Issued, subscribed and fully paid up				
Equity shares of ₹1/- each	201749245	2017.49	204040000	2040.40
		2017.49		**2040.40**

Issue of 16910 (Previous year: 16910) equity shares on Right basis has been kept in abeyance in view of pending disputes.

Note No. : 16 - Share capital (contd.)

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the year	204040000	2040.40	210000000	2100.00
Less: Buy-back of shares [Refer note no. 36(4)]	2290755	22.91	5960000	59.60
At the end of the year	**201749245**	**2017.49**	**204040000**	**2040.40**

(d) The Company has only one class of equity shares. The Company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

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 dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shareholders holding more than 5% of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares held	% of holding	No. of shares held	% of holding
Mr. Vivek Saraogi	41158544	20.40	41158544	20.17
Ms. Sumedha Saraogi	22043079	10.93	22043079	10.80

(f) Details of shares held by promoters:

As at 31st March, 2023

Sl. No.	Name of the Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares*	% change during the year
1	Mr. Vivek Saraogi	41158544	-	41158544	20.40	0.23
2	Ms. Sumedha Saraogi	22043079	-	22043079	10.93	0.13
3	Ms. Stuti Dhanuka	4284531	-	4284531	2.12	0.02
4	Ms. Avantika Saraogi	3187007	-	3187007	1.58	0.01
5	Vivek Saraogi (HUF)	147482	-	147482	0.07	-
6	Novel Suppliers Pvt. Ltd.	3551444	-	3551444	1.76	0.02
7	Udaipur Cotton Mills Co. Ltd.	5689433	-	5689433	2.82	0.03
8	Meenakshi Mercantiles Ltd.	6484233	-	6484233	3.21	0.03
	Total	**86545753**	**-**	**86545753**	**42.90**	**0.48**

* Aggregate of % of total shares held by promoters considered as 42.90% due to rounding off.

Footnote:

The percentage of shareholding changed due to the extinguishment of the equity shares bought back till 31st March, 2023 pursuant to the buy-back approved at the meeting of the Board of Directors held on 9th November, 2022.

Note No. : 16 - Share capital (contd.)

As at 31st March, 2022

Sl. No.	Name of the Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Mr. Vivek Saraogi	34339303	6819241	41158544	20.17	3.82
2	Ms. Sumedha Saraogi	22043079	-	22043079	10.80	0.30
3	Ms. Stuti Dhanuka	4284531	-	4284531	2.10	0.06
4	Ms. Avantika Saraogi	3187007	-	3187007	1.57	0.06
5	Kamal Nayan Saraogi (HUF)	6819241	(6819241)	-	-	(3.25)
6	Vivek Saraogi (HUF)	147482	-	147482	0.07	-
7	Novel Suppliers Pvt. Ltd.	3551444	-	3551444	1.74	0.05
8	Udaipur Cotton Mills Co. Ltd.	5689433	-	5689433	2.79	0.08
9	Meenakshi Mercantiles Ltd.	6484233	-	6484233	3.18	0.09
	Total	**86545753**	**-**	**86545753**	**42.42**	**1.21**

Footnotes:

(i) During the year ended 31st March, 2022, the shares held by Kamal Nayan Saraogi (HUF) have been transferred to Mr. Vivek Saraogi owing to dissolution of Kamal Nayan Saraogi (HUF).

(ii) Apart from the aforesaid, the percentage of shareholding changed due to the extinguishment of the equity shares bought back pursuant to the buy-back approved at the meeting of the Board of Directors held on 9th August, 2021.

(g) The aggregate number of equity shares bought back in immediately preceding last five years ended 31st March, 2023 - 26689082 equity shares (previous period of five years ended 31st March, 2022 - 30998327 equity shares).

Note No. : 17 - Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
A. Reserves and surplus				
(a) Capital reserve				
Balance as per last account		1075.58		1075.58
(b) Capital redemption reserve				
Balance as per last account	3064.08		3004.48	
Add: Transfer from retained earnings [Refer note no. 36(4)(a)]	22.91	3086.99	59.60	3064.08
(c) Storage fund for molasses				
Balance as per last account	89.29		36.09	
Add: Created during the year	66.95		53.20	
Less: Written back during the year	33.44	122.80	-	89.29
(d) General reserve				
Balance as per last account	170000.00		150000.00	
Add: Transfer from retained earnings	30000.00	200000.00	20000.00	170000.00

Note No. : 17 - Other equity (contd.)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
(e) Retained earnings				
Balance as per last account	99546.75		100168.45	
Add: Profit for the year	27553.16		51465.77	
Add: Transfer from other comprehensive income	(622.33)		(361.79)	
Less: Transfer to capital redemption reserve	22.91		59.60	
Less: Transfer to general reserve	30000.00		20000.00	
Less : Utilised on buy-back of equity shares [Refer note no. 36(4)(a)]	8162.23		21464.28	
Less: Tax on buy-back of equity shares [Refer note no. 36(4)(a)]	1893.47		4986.76	
Less: Buyback expenses [net of tax ₹39.92 Lakhs (Previous year ₹61.26 Lakhs) Refer note no. 36(4)(a)]	74.31		114.04	
	86324.66		104647.75	
Less: Interim dividend paid during the year [Refer note no. 36(18)(b)]	5084.36	81240.30	5101.00	99546.75
(A)		**285525.67**		**273775.70**
B. Other comprehensive income				
Balance as per last account	-		-	
Add: Other comprehensive income for the year	(622.33)		(361.79)	
Less: Transfer to retained earnings	(622.33)	-	(361.79)	-
(B)		-		-
C = (A + B)		**285525.67**		**273775.70**

Footnotes:

i) Capital reserve comprise of reserve arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant schemes sanctioned by the Court.

ii) Capital redemption reserve has been created consequent to redemption of preference share and buy-back of equity shares. This reserve shall be utilised in accordance with the provisions of the Act.

iii) The general reserve represents amount transferred out of the profits of the Company and reserve aggregating to ₹4224.23 Lakhs (Previous year: ₹4224.23 Lakhs) arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant schemes sanctioned by the Court. It is not earmarked for any specific purpose.

iv) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974. During the year ended 31st March, 2023, ₹33.44 Lakhs was utilised from the fund and credited to the Statement of Profit and Loss. The said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹140.80 Lakhs (Previous year: ₹104.68 Lakhs),

v) Retained earnings represents the undistributed profit/ amount of accumulated earnings of the Company.

vi) Other comprehensive income (OCI) represents the balance related to re-measurement gains and losses resulting from experience adjustments and changes in actuarial assumptions. These gains and losses are recognised directly in OCI during the period in which they occur and are subsequently transferred to Retained earnings.

Note No. : 18 - Borrowings (carried at amortised cost)

(i) Non-current

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Debentures		
Senior, Unlisted, Rated, Redeemable, Non-convertible		
Secured [Refer footnote (a)(i) below]	13967.59	-
Term loans		
From banks		
Secured		
Rupee loans:		
HDFC Bank Ltd. (HDFC) [Refer footnote (a)(ii and iii) below]	12554.50	3510.50
ICICI Bank Ltd. (ICICI) [Refer footnote (a)(iv) below]	1250.00	2500.00
State Bank of India (SBI) [Refer footnote (a)(v) below]	13500.00	-
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh) [Refer footnote (a)(vi) below]	1602.88	8409.37
	42874.97	**14419.87**

a) **Nature of securities for the aforesaid borrowings including current maturities of long term debt [Refer note no. 18(ii)] and deferred income [Refer note no. 21]:**

i) Senior, Unlisted, Rated, Redeemable, Non-convertible Debentures subscribed by debenture holder amounting to ₹14000.00 Lakhs (Previous year: ₹ Nil) is secured by first exclusive charge, by way of hypothecation of movable fixed assets (PPE), both present and future, pertaining to two sugar units of the Company viz. Balrampur and Babhnan.

ii) Rupee Term Loan from HDFC amounting to ₹13600.00 Lakhs (Previous year: ₹ Nil) under the Scheme for Extending Financial Assistance to project proponents for enhancement of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Balrampur distillery unit of the Company.

iii) Rupee Term Loan from HDFC amounting to ₹3510.50 Lakhs (Previous year: ₹5516.50 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Gularia distillery unit of the Company.

iv) Rupee Term Loan from ICICI amounting to ₹2500.00 Lakhs (Previous year: ₹3750.00 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Gularia distillery unit of the Company.

v) Rupee Term Loan from SBI amounting to ₹19000.00 Lakhs (Previous year: ₹ Nil) under the Scheme for Extending Financial Assistance to project proponents for enhancement of ethanol capacity, is secured by first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Maizapur distillery unit of the Company.

vi) Rupee Term Loan from ICICI (Acting as an agent on behalf of Government of Uttar Pradesh) amounting to ₹8807.36 Lakhs (Previous year: ₹16428.65 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Undertakings, 2018, of Uttar Pradesh Government is secured by pari passu first charge, by way of hypothecation of movable fixed assets (PPE), both present and future, pertaining to seven cogen units of the Company viz. Balrampur, Babhnan, Haidergarh, Akbarpur, Mankapur, Kumbhi and Gularia.

Note No. : 18 (i) - Borrowings (carried at amortised cost) (contd.)

b) Terms of Repayment:

Lender of Loan	Rate of Interest (ROI) (%)	Amount outstanding as at 31st March, 2023		Amount outstanding as at 31st March, 2022		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2023	Number of instalments outstanding as at 31st March, 2023	Amount of each instalment (₹ in Lakhs)	Details of security offered
		Current (₹ in Lakhs) [Refer note no.18(ii)]	Non-current (₹ in Lakhs)	Current (₹ in Lakhs) [Refer note no.18(ii)]	Non-current (₹ in Lakhs)				
Debentures:									
1 Debenture holder	3 month T-Bill +1.65% (Previous year: N.A.)	-	13967.59#	-	-	2 years 10 months and 26 days	Bullet repayment at the end of 3 years with put/ call options at the end of 18 months from the date of disbursement	14000.00	Refer note no. 18 (i) (a) (i) above
	Sub - Total	**-**	**13967.59**	**-**	**-**				
Term Loans:									
1 HDFC Bank Ltd.	3 month T-Bill +1.85% (Previous year: N.A.)	2550.00	11050.00	-	-	4 years 2 months and 28 days	16 (payable quarterly)	850.00	Refer note no. 18 (i) (a) (ii) above
	Sub - Total	**2550.00**	**11050.00**	**-**	**-**				
2 HDFC Bank Ltd.	3 month T-Bill +1.85% (Previous year: HDFC one year MCLR)	2006.00	1504.50	2006.00	3510.50	1 year 8 months and 30 days	7 (payable quarterly)	501.50	Refer note no. 18 (i) (a) (iii) above
	Sub - Total	**2006.00**	**1504.50**	**2006.00**	**3510.50**				
3 ICICI Bank Ltd.	ICICI one year MCLR (Previous year: ICICI one year MCLR)	1250.00	1250.00	1250.00	2500.00	1 year 8 months and 30 days	2 (payable annually)	1250.00	Refer note no. 18 (i) (a) (iv) above
	Sub - Total	**1250.00**	**1250.00**	**1250.00**	**2500.00**				

Notes forming part of the Standalone Financial Statements

for the year ended 31st March, 2023

Note No. : 18 (i) - Borrowings (carried at amortised cost) (contd.)

Lender of Loan	Rate of Interest (ROI) (%)	Amount outstanding as at 31st March, 2023		Amount outstanding as at 31st March, 2022		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2023	Number of instalments outstanding as at 31st March, 2023	Amount of each instalment (₹ in Lakhs)	Details of security offered
		Current (₹ in Lakhs) [Refer note no.18(ii)]	Non-current (₹ in Lakhs)	Current (₹ in Lakhs) [Refer note no.18(ii)]	Non-current (₹ in Lakhs)				
4 State Bank of India *	3 month T-Bill +1.80% (Previous year: N.A.)	5500.00	13500.00	-	-	3 years 11 months and 20 days	16 (payable quarterly)	1375.00	Refer note no. 18 (i) (a) (v) above
	Sub - Total	**5500.00**	**13500.00**	**-**	**-**				
5 **ICICI Bank Ltd.** (Acting as an agent on behalf of Government of Uttar Pradesh)	** 5.00% p.a. (Fixed)	7301.62	1602.88^	7301.62	8409.37	1 year 3 months and 3 days	15 (payable monthly)	608.47	Refer note no. 18 (i) (a) (vi) above
	Sub - Total	**7301.62**	**1602.88**	**7301.62**	**8409.37**				
	Grand Total	**18607.62**	**42874.97**	**10557.62**	**14419.87**				

\# Net of transaction costs amounting to ₹32.41 Lakhs (Previous year:₹ Nil) to be amortised over the tenure of the debentures.

* ₹3000.00 Lakhs is yet to be drawn from State Bank of India. Repayment instalment is on the basis of sanctioned amount.

** Rate of interest has been fixed by the Government of Uttar Pradesh @5.00% for entire tenure of the loan under the Scheme for Extending Financial Assistance to Sugar Undertaking - 2018, of Uttar Pradesh Government

^ Excluding ₹222.53 Lakhs (Previous year: ₹717.66 Lakhs) on account of effective interest rate adjustment being taken to Deferred income.

Note No. : 18 - Borrowings (carried at amortised cost) (contd.)

(ii) Current

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Loans repayable on demand				
Working capital loans				
From banks				
Secured				
Rupee loans *				
State Bank of India (SBI)	87398.76		60903.91	
HDFC Bank Ltd. (HDFC)	38980.70	126379.46	35081.50	95985.41
Current maturities of long - term debt **				
Term loans				
From banks				
Secured				
Rupee loans:				
HDFC Bank Ltd. (HDFC)	4556.00		2006.00	
ICICI Bank Ltd. (ICICI)	1250.00		1250.00	
State Bank of India (SBI)	5500.00		-	
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh)	7301.62	18607.62	7301.62	10557.62
		144987.08		**106543.03**

* The Company is having favourable balance with ICICI Bank Ltd. (ICICI) and Kotak Mahindra Bank Ltd. (KOTAK) at the year end and accordingly, the same has been clubbed with Balances with banks under Note No. - 13 "Cash and cash equivalents".

** Refer note no. 18(i) (a) and (b) for nature of securities and terms of repayment respectively.

Nature of securities :

Working capital loans from banks (viz: SBI, HDFC, ICICI and KOTAK) are secured by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with each of them.

Note No. : 19 - Lease liabilities (Unsecured)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	108.35	116.81
Finance cost accrued during the year	7.58	8.17
Payment of lease liabilities during the year	16.63	16.63
Closing balance	**99.30**	**108.35**
Current	16.63	16.63
Non - current	82.67	91.72

Footnote:

Further, to above, the Company has certain lease arrangement on short term basis or low value items, expenditure on which has been recognised under line item "Rent" under Other expenses.

Note No. : 20 - Other financial liabilities (carried at amortised cost)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Interest accrued but not due on borrowings		1126.90		377.90
Unpaid dividend @		189.69		176.39
Other payables				
Retention monies	4120.48		1884.09	
Security deposits	1544.39		776.97	
Accrued expenses	240.59		196.17	
Accrued salaries and other payroll dues	4902.00		4016.71	
Others	45.21	10852.67	113.98	6987.92
		12169.26		**7542.21**

@ There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at balance sheet date.

Note No. : 21 - Deferred income

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	717.66	1467.81
Less: Transferred to the statement of profit and loss	495.13	750.15
Closing balance	**222.53**	**717.66**
Current	215.64	495.14
Non - current	6.89	222.52

[Refer note no. 36(8) for other disclosures]

Note No. : 22 - Provisions

(i) Non-current

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits - unavailed leave [Refer note no. 36(9)]	1071.01	957.44
	1071.01	**957.44**

(ii) Current

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Provision for employee benefits [Refer note no. 36(9)]				
Unavailed leave	621.86		554.64	
Gratuity	117.25	739.11	118.83	673.47
Other provisions				
Provision for contingencies [Refer note no. 36(2)]		0.42		0.42
		739.53		**673.89**

Note No. : 23 - Deferred tax liabilities (net)

As at 31st March, 2023

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in equity	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment and Intangible assets	21971.74	2882.81	-	-	24854.55
	21971.74	**2882.81**	**-**	**-**	**24854.55**
Tax effect of items constituting deferred tax assets					
Expenses allowable on payment basis	976.02	115.29	-	-	1091.31
MAT credit entitlement (MAT)	13796.19	(2434.53)	39.92	167.14	11568.72
	14772.21	**(2319.24)**	**39.92**	**167.14**	**12660.03**
Net deferred tax liabilities / expense	**7199.53**	**5202.05**	**(39.92)**	**(167.14)**	**12194.52**

Note No. : 23 - Deferred tax liabilities (net) (contd.)

As at 31st March, 2022 (₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in equity	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment and Intangible assets	22825.67	(853.93)	-	-	21971.74
	22825.67	**(853.93)**	**-**	**-**	**21971.74**
Tax effect of items constituting deferred tax assets					
Carried forward tax losses/ unabsorbed depreciation	68.07	(68.07)	-	-	-
Expenses allowable on payment basis	221.85	754.17	-	-	976.02
MAT credit entitlement (MAT)	17807.52	(4169.76)	61.26	97.17	13796.19
	18097.44	**(3483.66)**	**61.26**	**97.17**	**14772.21**
Net deferred tax liabilities / expense	**4728.23**	**2629.73**	**(61.26)**	**(97.17)**	**7199.53**

The ultimate realisation of deferred tax assets, carried forward tax losses/unabsorbed depreciation and unused tax credits is dependent upon the generation of future taxable income. Deferred tax assets including MAT credit entitlement is recognised on management's assessment of reasonable certainty for reversal/ utilisation thereof against future taxable income.

Based on the assessment of the possible impact of the new tax regime, the Company has decided to continue with existing normal tax structure till certain deductions are available and accumulated Minimum Alternate Tax (MAT) credit is substantially exhausted and thereafter, to opt for the concessional rate under new tax regime.

Note No. : 24 - Trade and other payables

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	308.83	205.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	31293.07	27579.37
	31601.90	**27784.55**
Other payables		
Payable to suppliers of capital goods		
Total outstanding dues of micro enterprises and small enterprises	617.02	406.92
Total outstanding dues of creditors other than micro enterprises and small enterprises	2968.28	2637.03
	3585.30	**3043.95**
	35187.20	**30828.50**

Note No. : 24 - Trade and other payables (contd.)

Trade payables ageing schedule

As at the end of 31st March, 2023

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	308.83	-	-	-	-	308.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	1496.23	29763.05	28.48	4.28	1.03	31293.07
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**1805.06**	**29763.05**	**28.48**	**4.28**	**1.03**	**31601.90**

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	75.99	129.19	-	-	-	205.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	784.33	26634.67	75.93	50.71	33.73	27579.37
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**860.32**	**26763.86**	**75.93**	**50.71**	**33.73**	**27784.55**

Other information

Details related to information required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been given in note no. 36(5).

Note No. : 25 - Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Other advances				
Advances from customers		488.18		433.48
Others				
Statutory liabilities	2513.24		1687.17	
Others *	126.66	2639.90	759.55	2446.72
		3128.08		**2880.20**

* Includes interest accrued relating to micro enterprises and small enterprises [Refer note no. 36(5)]

Note No. : 26 - Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Sale of goods				
Domestic sales				
Sugar	325097.26		356255.26	
Industrial alcohol	113227.65		97462.00	
Co-generated power	10832.06		11540.78	
Bagasse	9924.71		7828.93	
Others	7504.49	466586.17	4239.51	477326.48
Other operating revenue				
Government grants [Refer note no. 36(8)]				
Export incentive and assistance		-		7276.20
		466586.17		**484602.68**

Footnotes:

(i) Details relating to performance obligation in terms of Ind AS 115 "Revenue from contracts with customers" has been given in Note No. 36(11).

(ii) Disaggregated revenue information have been given along with segment information in Note No. 36(12)(d)

Note No. : 27 - Other income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Interest income on financial assets carried at amortised cost				
Deposit with banks and others		83.53		38.42
Gain on sale of highly liquid investments (treated as cash equivalent)		692.95		758.94
Gain on sale of investments in mutual funds (treated as current investments)		282.15		-
Fair value gain on investments in mutual funds (treated as current investments)		69.10		-
Dividend received from an associate		-		1491.98
Other non-operating income				
Insurance claims	597.67		509.04	
Liabilities no longer required written back	242.75		274.62	
Recovery towards written off balances	-		0.02	
Allowance for impaired receivables written back [Net of bad debts written off ₹Nil (Previous year: ₹35.27 Lakhs)]	-		62.36	
Storage fund for molasses written back [Refer note no. 17 (iv)]	33.44		-	
Miscellaneous *	4277.55	5151.41	1655.73	2501.77
		6279.14		**4791.11**
* Includes scrap sales		3715.27		1349.15

Note No. : 28 - Cost of materials consumed

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Sugarcane	344893.66	325296.62
Others *	(2953.99)	876.40
	341939.67	**326173.02**

* Includes differential impact of opening and closing inventories of raw materials

Note No. : 29 - Changes in inventories of finished goods, by-products and work-in-progress

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Finished goods				
Opening stock				
Sugar	179478.98		201416.00	
Industrial alcohol	1554.86		5464.42	
Banked power	246.11		163.23	
Others	46.16	181326.11	61.18	207104.83
Less : Closing stock				
Sugar	169384.98		179478.98	
Industrial alcohol	11546.96		1554.86	
Banked power	243.74		246.11	
Others	70.59	181246.27	46.16	181326.11
Less: Power used during trial run of capital projects		67.70		6.07
Decrease (A)		**12.14**		**25772.65**
By-products				
Opening stock		17659.00		12452.04
Less : Closing stock		17956.48		17659.00
Less: Bagasse used during trial run of capital projects		144.06		16.72
(Increase) (B)		**(441.54)**		**(5223.68)**
Work- in-progress				
Opening stock				
Sugar	2791.64		1770.53	
By-products	371.08	3162.72	284.82	2055.35
Less : Closing stock				
Sugar and syrup	3127.58		2791.64	
By-products	621.45	3749.03	371.08	3162.72
(Increase) (C)		**(586.31)**		**(1107.37)**
(Increase)/ Decrease (D) = (A + B + C)		**(1015.71)**		**19441.60**

Notes forming part of the Standalone Financial Statements
for the year ended 31st March, 2023

Note No. : 30 - Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries and wages	32148.54	27288.32
Contribution to provident, gratuity and other funds	3825.49	3130.00
Staff welfare expense	405.22	367.72
	36379.25	30786.04
Less: Recovery towards deputation of an employee [Refer note no. 36(10)]	-	5.60
	36379.25	**30780.44**

Note No. : 31 - Finance costs

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Interest				
On long term borrowings [Refer note no. 36(8)]	1689.02		1407.58	
On short term borrowings	3141.43		1595.84	
Others *	13.88	4844.33	13.46	3016.88
Other borrowing costs		20.35		70.01
		4864.68		**3086.89**
* Includes interest on lease liabilities		7.58		8.17
* Includes interest on statutory dues		0.11		0.08

Note No. : 32 - Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation of property, plant and equipment * [Refer note no. 4]	12912.18	11347.04
Amortisation of intangible assets [Refer note no. 5]	38.12	39.45
	12950.30	**11386.49**

* includes depreciation of right-of-use assets

Note No. : 33 - Other expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Consumption of stores				
Process chemicals	4999.66		4196.54	
Others	273.71	5273.37	269.35	4465.89
Packing materials		3539.05		3875.19
Power and fuel		97.32		268.89
Rent		149.38		114.15
Repairs				
Buildings	983.27		792.22	
Machinery	7178.93		6849.33	
Others	261.90	8424.10	230.32	7871.87
Insurance		1292.13		1227.11
Rates and taxes (excluding taxes on income)		2621.87		641.12
Commission to non-executive directors		110.00		110.00
Directors' fees		36.95		31.20
Payments to auditors				
For statutory audit	55.65		52.50	
For other services (Limited reviews and certifications)	21.83		20.25	
For reimbursement of expenses	-	77.48	0.30	73.05
Cost audit fees		4.00		4.00
Professional expenses #		520.53		4151.41
Freight and handling expenses		6618.01		6818.03
Brokerage and commission		445.87		526.63
Charity and donation		11.26		10.81
Corporate social responsibility expense [Refer note no. 36(6)]		1194.74		1119.67
Miscellaneous expenses *		6239.28		6099.98
Loss on sale/discard of property, plant and equipment (net)		920.04		744.75
Sundry debit balances/advances written off		85.52		14.70
Payment towards balances earlier written back		287.35		4.53
Transfer to storage fund for molasses		66.95		53.20
Obsolete stores and spares written off		34.99		1.05
Provision for obsolescence /non-moving stores and spares		-		10.58
		38050.19		**38237.81**
# Includes expenses incurred towards export under MAEQ		-		3562.41
* Includes contribution in electoral bonds		-		200.00

Note No. : 34 - Tax expense

(₹ in Lakhs)

Particulars		Year ended 31st March, 2023	Year ended 31st March, 2022
Current tax		6941.72	11448.97
Tax provision for earlier years		-	16.82
Deferred tax [Refer note no. 23]		5202.05	2629.73
		12143.77	**14095.52**
Reconciliation of tax expense			
Profit before tax		39696.93	65561.29
Applicable tax rate (using the Company's tax rate)		34.944%	34.944%
Computed tax expense	(A)	**13871.70**	**22909.74**
Adjustments for:			
Expenses not allowed for tax purpose		370.59	195.78
Effect of tax deductions		(1223.04)	(6461.84)
Changes in recognised deductible temporary differences		(1507.37)	(1362.45)
Additional allowance for tax deductions		-	(142.08)
Effect of lower tax rate on capital gains		-	(553.66)
MAT credit utilised / (entitlement) for earlier years		631.89	(506.79)
Tax provision for earlier years		-	16.82
Net adjustments	(B)	**(1727.93)**	**(8814.22)**
Tax Expense	C=(A+B)	**12143.77**	**14095.52**

Note No. : 35 - Other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Items that will not be reclassified to profit or loss		
Re-measurement of defined benefit plan	(956.61)	(556.12)
Less: Income tax relating to items that will not be reclassified to profit or loss	334.28	194.33
	(622.33)	(361.79)

Note No. : 36 Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities :

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
(i)	Claims against the Company not acknowledged as debts :		
	- Sales tax and entry tax (including interest and other claims) - under appeal/litigation	51.46	92.69
	- Others - under appeal/ litigation	154.00	151.48
		205.46	**244.17**
(ii)	Claims for acquisition of 1.99 acres of land for the Distillery unit at Balrampur and compensation there against is under dispute as the matter is subjudice	Amount not ascertainable	Amount not ascertainable

Note No. : 36 Other disclosures (contd.)

Footnotes:

- The amounts shown in (i) above represent the best possible estimates arrived at, on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

  In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals/ litigations.

- Refer note no. 36(3) (b) for availment of remission of taxes and levies pending final decision with the Hon'ble Supreme Court on the matter.

(b) Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	9098.39	50019.88
(ii)	Advance paid against above	828.87	8295.99

2. **Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent liabilities and Contingent assets:**

(a) Provision for contingencies

(i) Provisions for contingencies represent provision towards various claims made/ anticipated in respect of litigation/ claims against the Company based on the Management's assessment.

(ii) Movement in Provision for contingencies:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
As per last account	0.42	0.42
	0.42	**0.42**
- Current	0.42	0.42
- Non-current	-	-

It is not possible to estimate the timing/ uncertainties relating to utilisation/ reversal of the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/ out of Court settlement/ disposal of appeals. The Company does not expect any reimbursement in respect of above provision.

(b) Contingent assets

During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances. Also Refer note no. 36(3)(a) and 36(3)(c) in this respect.

3(a) The Hon'ble High Court at Allahabad, Lucknow Bench, vide its order dated 12th February, 2019 ("Order") had quashed the G.O. dated 4th June, 2007, vide which the Sugar Industry Promotion Policy 2004 ("SIPP") was withdrawn, and held that the petitioner companies were entitled to all the benefits for the entire period of the validity of SIPP. Consequent to this, the Company in respect of its capital projects and expansions during the period from 2004 to 2008 is entitled

Note No. : 36 Other disclosures (contd.)

to the capital subsidy, reimbursement of certain expenses, remission of certain taxes and levies under the provision of the said policy.

The State Government of Uttar Pradesh and others have filed Special Leave Petitions challenging the said Order before the Hon'ble Supreme Court of India and the cases are pending for hearing as on 31st March, 2023. Pending this, the Company's claim for reimbursement of ₹33654.94 Lakhs (Previous year: ₹33654.94 Lakhs) and capital subsidy of ₹13137.77 Lakhs (Previous year: ₹13137.77 Lakhs) pursuant to SIPP being contingent in nature, has not been recognised.

(b) In terms of SIPP, the Company availed remission of taxes and levies, namely, Entry Tax on Sugar, Trade Tax on Molasses and Cane Purchase Tax, Stamp duty and registration charges on purchase of land aggregating to ₹11278.45 Lakhs in earlier years. These remissions were availed pursuant to protection earlier provided by the Hon'ble High Court at Allahabad, which has been confirmed pursuant to the Order of the said court as given in Note No. 36(3)(a) above.

In the assessment of Entry Tax on Sugar and Trade Tax on Molasses relating to four sugar units, namely, Akbarpur, Mankapur, Kumbhi and Gularia aggregating to ₹6300.63 Lakhs has been assessed, though these units are also eligible for the remission under the SIPP. However, no demand has been raised and pursued against the Company in view of the protection by the Hon'ble High Court as aforesaid. Since these units are eligible for incentive under SIPP and no demand has yet been raised against the Company, the aforesaid amount of ₹6300.63 Lakhs has not been considered as contingent liability.

(c) Uttar Pradesh Electricity Regulatory Commission vide notification dated 25th July, 2019 reduced the power purchase rates of bagasse-based power plants w.e.f. 1st April, 2019 and revenue in this respect has accordingly been recognised at such reduced rates. The Uttar Pradesh Cogen Association has filed a writ petition, challenging the reduction in power rates before Hon'ble High Court at Allahabad which has been admitted. Next hearing date is yet to be announced.

(d) Uttar Pradesh Excise Authorities had imposed payment of ₹20/- per quintal on molasses transferred, sold, or supplied for captive consumption with effect from 24th December 2021 as "Regulatory Fee" under amended Section 8(4) of Uttar Pradesh Sheera Niyantran Adhiniyam, 1964.

The Uttar Pradesh Sugar Mills Association and Others have filed a writ petition against the aforesaid levy before Lucknow Bench of Hon'ble Allahabad High Court. The said Court vide its Interim Order dated 25th February 2022, have deferred the realisation thereof pending final decision on the matter. Next hearing date is yet to be announced.

Up to 31st March, 2022, the Company deposited ₹449.44 Lakhs " under protest" which was clubbed and shown with "Duties and taxes paid under protest"" under Note No. 9, Other non-current assets.

During the year ended 31st March, 2023, the Company has continued to deposit the amount under protest, however, decided to expense out the Regulatory Fees to the Statement of Profit and Loss, including ₹449.44 Lakhs deposited in previous year.

4 (a) At its meeting on 9th November, 2022, the Board of Directors approved a buy-back of equity shares not exceeding ₹14544.00 Lakhs ("Maximum Buyback Size"), (excluding transaction costs and tax on buy-back), at a price not exceeding ₹360/- per equity share ("Maximum Buyback Price").

At the Maximum Buyback Price and Maximum Buyback Size, the indicative maximum number of equity shares to be bought back was 4040000 equity shares (Maximum Buyback Shares), representing approximately 1.98% of the paid-up share capital of the Company as of 31st March, 2022. The buy-back was offered to all eligible equity shareholders of the Company (excluding the Promoters, the Promoter Group, and Persons in Control of the Company) under the open market route through the stock exchanges. The buy-back of equity shares began on 16th November, 2022.

During the year ended 31st March, 2023, the Company bought-back and extinguished a total of 2290755 equity shares at a volume-weighted average price of ₹357.31 per equity share, aggregating to ₹8185.14 Lakhs, (excluding transaction costs and tax on buy-back), comprising approximately 1.12% of the pre-buyback paid-up equity share capital of the Company.

Note No. : 36 Other disclosures (contd.)

Consequently, the equity share capital has been reduced by ₹22.91 Lakhs, and an amount equivalent to the face value of equity shares bought back has been transferred from Retained earnings to Capital redemption reserve. The differential amount of ₹8162.23 Lakhs with respect to the aggregate consideration in excess of the face value of the equity shares bought back has been adjusted from Retained Earnings. Further, various costs aggregating to ₹74.31 Lakhs (net of tax of ₹39.92 Lakhs), incurred for the same and the taxation on buy-back amounting to ₹1893.47 Lakhs, have also been adjusted from Retained earnings.

As of 31st March, 2023, out of the funds set aside and earmarked for above buy-back, the balance amount remain invested in mutual funds of ₹6125.06 Lakhs and fixed deposits of ₹363.60 Lakhs. No shares have additionally been bought back during the period from 1st April, 2023 to 10th May, 2023. The Company's offer for buy-back, as scheduled, is open till 15th May, 2023.

4(b) The shareholders have approved the "BCML Employees Stock Appreciation Rights Plan 2023" ("ESAR 2023"/ "Plan") through Postal Ballot on 23rd April, 2023. Under the Plan, the Company would grant Employees Stock Appreciation Rights ("ESAR") to such employees who are in permanent employment of the Company within the meaning of the Plan, including any director, whether whole-time or otherwise (other than promoters of the Company, or member of the promoter group, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), entitling the employees eligible for ESAR to receive in aggregate not more than 4000000 equity shares of face value of ₹ 1/- each, based on such eligibility criteria and terms and conditions as may be decided by the Nomination & Remuneration Committee of the Board of Directors.

5. Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payable to suppliers of capital goods are as follows:

As at 31st March, 2023:

(₹ in Lakhs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	308.83	617.02	925.85
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	0.85	0.11	0.96
(iv)	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 Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year #	-	-	-
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24

Included in the line item "Others" under Note No. 25

Note No. : 36 Other disclosures (contd.)

As at 31st March, 2022:

(₹ in Lakhs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	205.18	406.92	612.10
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	2.01	-	2.01
(iv)	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 Micro, Small and Medium Enterprises Development Act, 2006	0.85	0.11	0.96
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year #	0.85	0.11	0.96
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24

\# Included in the line item "Others" under Note No. 25

6. Expenditure on Corporate Social Responsibility (CSR) activities :

(a) Details of CSR expenditure:

(₹ in Lakhs)

Sl. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
(i)	Gross amount required to be spent by the Company during the year	1132.94	1135.76
(ii)	Amount spent during the year : *		
	a) Construction/acquisition of any asset		
	- in cash	14.35	43.97
	- yet to be paid in cash	-	-
	b) On purposes other than (a) above		
	- in cash	1180.39	1075.70
	- yet to be paid in cash	-	-
(iii)	Previous year excess spent adjusted with current year requirement to be spent	85.52	16.09
(iv)	Unspent amount during the year	-	-
(v)	Reason for shortfall	Not applicable	Not applicable

* The Company spent ₹1194.74 Lakhs (Previous Year: ₹1119.67 Lakhs) towards its CSR obligations.

Note No. : 36 Other disclosures (contd.)

6. Expenditure on Corporate Social Responsibility (CSR) activities (contd.)

(b) Nature of CSR activities

The CSR activities of the Company are focused on livelihood enhancement and poverty alleviation, education including skill development for empowerment of women and others, healthcare, sanitation and safe drinking water, rural development and transformation, environment sustainability and climate change and disaster management.

(c) Details of excess amount spent

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening balance	**85.52**	**101.61**
Amount required to be spent during the year	1132.94	1135.76
Amount spent during the year	1194.74	1119.67
Closing balance	**147.32**	**85.52**
- To be carried forward for next year	147.32	85.52
- Not to be carried forward for next year	-	-

(d) There are no ongoing projects under CSR which will require future cashflows.

7. Earnings per share :

Sl. No.	Particulars		Year ended 31st March, 2023	Year ended 31st March, 2022
(i)	Amount used as the numerator			
	Profit after Tax (₹in Lakhs)	(A)	27553.16	51465.77
(ii)	Weighted average number of equity shares outstanding used as the denominator for computing Basic and Diluted Earnings per share *	(B)	203890016	207022892
(iii)	Face value of equity shares (₹)		1.00	1.00
(iv)	Basic and Diluted Earnings per share (₹)	(A/B)	13.51	24.86

* The Company does not have any dilutive potential equity shares

8. The Company is eligible to receive various financial assistance from government authorities. The Company has recognised the eligible government grants in the following manner:

(₹ in Lakhs)

Sl. No.	Particulars	Treatment in Accounts	Year ended 31st March, 2023	Year ended 31st March, 2022
A.	**Grants related to Income**			
(a)	**Revenue related Government grants:**			
(i)	Towards marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar (Refer footnote (i) below)	Included under "Export incentive and assistance" under Revenue from Operations	-	7276.20
(ii)	Interest on term loans (Refer footnote (ii) below)	(i) Deducted from "interest expense on long term borrowings" under Finance costs	954.47	416.37

Note No. : 36 Other disclosures (contd.)

(₹ in Lakhs)

Sl. No.	Particulars	Treatment in Accounts	Year ended 31st March, 2023	Year ended 31st March, 2022
		(ii) Deducted from "interest expense on long term borrowings capitalised" [Refer note no. 4A]	216.59	-
(iii)	Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme (Refer footnote (iii) below)	Deducted from "Contribution to provident, gratuity and other funds" under Employee benefits expense	-	0.32
			1171.06	**7692.89**
(b)	**Amortisation of Government grants:**			
	Government grant relating to interest on term loans (Refer footnote (iv) below)	Deducted from "interest expense on long term borrowings" under Finance costs	495.13	750.15
			495.13	**750.15**
			1666.19	**8443.04**

Footnotes:

(i) The total export entitlement utilized and physical export done through merchant exporter by the Company during the year ended 31st March, 2022 aggregated to 121270 MT against the quota allocated for the sugar season 2020-21. The financial assistance earned against such exports @ ₹6000 per MT amounting to ₹7276.20 Lakhs was clubbed with export incentive and assistance.

(ii) Notification No. S.O. 3523 (E) dated 19th July, 2018 and subsequent notifications issued from time to time issued by the Central Government for "extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity" with a view to increase production of ethanol and its supply under Ethanol Blended with Petrol (EBP) Programme, and thereby to improve the liquidity position of the sugar mills enabling them to clear cane price arrears of the farmers for which interest subvention @ 6% p.a. or 50% of rate of interest charged by banks (whichever is lower) would be borne by the Central Government for a tenure of 5 years from the date of disbursement of the loan.

Under the said scheme, HDFC Bank and ICICI Bank disbursed rupee loan aggregating to ₹8024.00 Lakhs and ₹5000.00 Lakhs respectively, during the year ended 31st March, 2020 which was utilised for setting up of 160 KLPD distillery at Gularia unit.

Further, State Bank of India disbursed Rupee Loans aggregating to ₹19000.00 Lakhs (₹3000.00 Lakhs is yet to be disbursed by the bank), and HDFC Bank disbursed Rupee Loan of ₹13600.00 Lakhs during the year ended 31st March 2023, which was utilized for setting up a new distillery of 320 KLPD distillery at Maizapur unit and expansion of the distillery unit at Balrampur with an additional capacity of 170 KLPD, respectively.

Accordingly, ₹954.47 Lakhs (Previous Year: ₹416.37 Lakhs) has been adjusted with interest on long-term borrowings for the year ended 31st March 2023. Further, a sum of ₹216.59 Lakhs (Previous Year: ₹ Nil) has been adjusted with interest on long-term borrowings capitalized.

(iii) The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme was designed to incentivise employers for generation of new employment, where Government of India paid 8.33% Employee Pension Scheme contribution of the employer for the new employment. Accordingly ₹ Nil (Previous Year: ₹0.32 Lakhs) have been deducted from

Note No. : 36 Other disclosures (contd.)

Contribution to provident, gratuity and other funds under Employee benefits expense, for the year ended 31st March, 2023.

(iv) The Government of Uttar Pradesh vide its Order No. - 12/2018/1698 / 46-3-18-3 (36-A) / 2018 dated 28th September, 2018 notified a scheme for assistance to sugar mills under the Scheme for Extending Financial Assistance to Sugar Undertakings - 2018 of Uttar Pradesh Government, for the purpose of clearance of sugarcane price for sugar season 2016-17 and 2017-18 as per the State Advised Price of sugarcane fixed by the State Government.

Under the said scheme, during the year ended 31st March 2019, the State Government extended Rupee term loan to the Company through ICICI Bank @ 5% p.a. interest for a period of 5 years aggregating to ₹36508.11 Lakhs which was utilised for clearance of sugarcane price for sugar season 2017-18 as per the scheme.

Pursuant to the requirements of Ind AS 20 – "Accounting for Government Grants and Disclosure of Government Assistance" and Ind AS 109 – "Financial Instruments", ₹4051.19 Lakhs was accounted for during the year ended 31st March, 2019 and included under Note No. 21 - "Deferred income" .

Accordingly, proportionate income amounting to ₹495.13 Lakhs and ₹750.15 Lakhs has been adjusted with interest on long term borrowings for the year ended 31st March, 2023 and 31st March, 2022 respectively.

9. Employee benefits :

As per Ind AS - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined contribution plan :

The contributions to defined contribution plan, recognised as expense in the Standalone Statement of Profit and Loss are as under :

(₹ in Lakhs)

Defined contribution plan	Year ended 31st March, 2023	Year ended 31st March, 2022
Contribution to provident fund (including Pension)	2728.46	2239.05
Contribution to national pension scheme	74.39	36.04

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of continuance service is entitled to the gratuity. The gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits depends on the member's length of service and salary at the time of cessation of the employment contract with the Company.

The fund is in the form of a trust and is governed by the Board of Trustees who are responsible for its administration. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. Each year, the Board of Trustees reviews the asset-liability matching strategy, investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review.

The Company contributes ascertained liabilities towards gratuity to trust.

Note No. : 36 Other disclosures (contd.)

9. Employee benefits (contd.)

The following tables summarizes the components of net benefit expense recognised in the Standalone Statement of Profit and Loss, the funded status and amounts recognised in the Standalone Balance sheet for the said plan:

(a) Details of funded post retirement plans are as follows :

(₹ in Lakhs)

Sl. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
I.	**Expenses recognised in the Standalone Profit or Loss:**		
1	Current service cost	870.47	748.73
2	Net interest on the net defined benefit liability/asset	(9.83)	(36.02)
3	Expense recognised in the Standalone Profit or Loss	860.64	712.71
II.	**Standalone Other comprehensive income**		
1	Actuarial (gain) / loss arising from:		
	- change in financial assumptions	(201.92)	227.24
	- changes in experience adjustments	740.37	325.99
2	(Returns)/loss on plan assets	418.16	2.89
3	Components of defined benefit costs recognised in Standalone Other comprehensive income	956.61	556.12
III.	**Change in present value of defined benefit obligation :**		
1	Present value of defined benefit obligation at the beginning of the year	10202.67	8842.17
2	Interest expense	692.39	558.49
3	Current service cost	870.47	748.73
4	Benefits paid	623.08	499.95
5	Actuarial (gain) / loss arising from:		
	- changes in financial assumptions	(201.92)	227.24
	- changes in experience adjustments	740.37	325.99
6	Present value of defined benefit obligation at the end of the year	11680.90	10202.67
IV.	**Change in fair value of plan assets during the year :**		
1	Fair value of plan assets at the beginning of the year	10083.84	8800.50
2	Interest income	702.22	594.51
3	Employers' contributions	1818.83	1191.67
4	Benefits paid	623.08	499.95
5	Re-measurement (Returns on plan assets excluding amounts included in interest income)	418.16	2.89
6	Fair Value of Plan Assets at the end of the year	11563.65	10083.84
V.	**Net asset / (liability) recognised in the Standalone Balance sheet as at the year end:**		
1	Present value of defined benefit obligation	11680.90	10202.67
2	Fair value of plan assets	11563.65	10083.84
3	Funded Status [Surplus/(Deficit)]	(117.25)	(118.83)
4	Net Asset / (Liability) recognised in Standalone Balance sheet	(117.25)	(118.83)
	- Current *	(117.25)	(118.83)
	- Non-Current	-	-

* paid subsequently after the balance sheet date

Note No. : 36 Other disclosures (contd.)

9. **Employee benefits** (contd.)

(₹ in Lakhs, unless stated otherwise)

Sl. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
VI.	**Actuarial assumptions :**		
1	Discount rate (per annum) (in %)	7.20%	7.00%
2	Expected return on plan assets (per annum) (in %)	7.20%	7.00%
3	Expected rate of salary increase (in %)	7.00%	7.00%
4	Retirement/Superannuation age (in Year)	60	60
5	Mortality rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
VII.	**Major category of plan assets as a % of the total plan assets as at the year end :**		
1	Administered by Insurance Companies (in %)	99.98%	99.94%
2	Others (Cash and cash equivalents) (in %)	0.02%	0.06%
VIII.	**Maturity profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	567.71	481.97
	Between 2 and 5 years	4213.66	3441.22
	Between 5 and 10 years	8375.99	7292.86
	Total expected payments	**13157.36**	**11216.05**
	The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	9	9
IX.	**Sensitivity analysis on present value of defined benefit obligations:**		
	Discount rates		
	1.00% Increase	(930.61)	(856.44)
	1.00% Decrease	1068.84	987.56
	Expected rates of salary increases		
	1.00% Increase	1060.68	978.03
	1.00% Decrease	(940.69)	(864.20)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

X. **The history of funded post retirement plans are as follows :**

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Present value of defined benefit obligation	11680.90	10202.67	8842.17	7437.56	6106.16
Fair value of plan assets	11563.65	10083.84	8800.50	5853.44	5968.75

Notes forming part of the Standalone Financial Statements
for the year ended 31st March, 2023

Note No. : 36 Other disclosures (contd.)

9. **Employee benefits** (contd.)

(b) Details of other long term benefits are as follows:

(₹ in Lakhs, unless stated otherwise)

Sl. No.	Particulars	Leave Encashment (Unfunded)	
		Year ended 31st March, 2023	Year ended 31st March, 2022
I.	**Components of employer expense :**		
1	Current service cost	72.92	49.60
2	Interest cost	66.03	51.46
3	Actuarial (gain) /loss recognised in the year	80.57	155.86
4	Expense recognised in the Standalone Statement of Profit and Loss	219.52	256.92
II.	**Change in present value of obligation :**		
1	Present value of obligation at the beginning of the year	994.45	845.87
2	Interest cost	66.03	51.46
3	Current service cost	72.92	49.60
4	Benefits paid	102.20	108.34
5	Actuarial (gain) /loss recognised in the year	80.57	155.86
6	Present value of obligation at the end of the year	1111.77	994.45
III.	**Net asset / (liability) recognised in the Standalone Balance sheet as at the year end:**		
1	Present value of defined benefit obligation	1111.77	994.45
2	Fair value of plan assets	-	-
3	Funded status [Surplus/(Deficit)]	(1111.77)	(994.45)
4	Net Asset / (Liability) recognised in Standalone Balance Sheet *	(1111.77)	(994.45)
IV.	**Actuarial assumptions :**		
1	Discount rate (per annum) %	7.20%	7.00%
2	Expected rate of salary increase %	7.00%	7.00%
3	Retirement/Superannuation age (Year)	60	60
4	Mortality rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
V.	**Maturity profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	42.19	38.28
	Between 2 and 5 years	303.12	249.51
	Between 5 and 10 years	594.23	524.45
	Total expected payments	**939.54**	**812.24**

* excludes leave liability towards leave days above the maximum accumulation limit encashable once a year.

Note No. : 36 Other disclosures (contd.)

9. Employee benefits (contd.)

(c) Risks related to defined benefit plans:

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

(i) Interest rate risk :

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(ii) Salary inflation risk :

Higher than expected increases in salary will increase the defined benefit obligation.

(iii) Demographic risk :

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(d) Asset - liability management and funding arrangements

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

(e) Other disclosures :

The gratuity and provident fund expenses have been recognised under " Contribution to provident, gratuity and other funds" and Leave encashment clubbed with " Salaries and wages" under Note No. 30 - Employee benefits expense.

10. Related party disclosures :

As per Ind AS - 24 "Related party disclosures", the Related party disclosures are as follows:

(a) Name of the related parties and description of relationship with whom transactions have taken place :

(i) Associate Companies :
(Significant influence can be exercised)

1. Auxilo Finserve Pvt. Ltd. (AFPL)
2. Visual Percept Solar Projects Pvt. Ltd. (VPSPPL)
(ceased to be an Associate w.e.f. 15th February, 2022)

(ii) Key Management Personnel
(KMP):

1. Mr. Vivek Saraogi - Chairman and Managing Director
(Became Chairman and Managing Director w.e.f. 24th May 2022)
2. Mr. Praveen Gupta - Whole-time Director
(w.e.f. 1st July, 2022)
3. Dr. Arvind Krishna Saxena - Whole-time Director
(Upto 31st July, 2022)
4. Mr. Dinesh Kumar Mittal - Independent Director
5. Mr. Krishnava Dutt - Independent Director
6. Ms. Veena Hingarh - Independent Director
7. Ms. Mamta Binani - Independent Director
8. Mr. Naresh Dayal - Non-Executive Non-Independent Director
9. Mr. Sumit Mazumder - Independent Director
(Upto 18th February, 2022)

Note No. : 36 Other disclosures (contd.)

10. Related party disclosures (contd.)

(iii) **Other related parties:**

- **Close members of family ("Relatives") of KMP :**

Mr. Vivek Saraogi	1.	Ms. Sumedha Saraogi - Wife
	2.	Ms. Avantika Saraogi - Daughter
	3.	Ms. Stuti Dhanuka - Sister
Mr. Praveen Gupta	1.	Ms. Nita Gupta - Wife
	2.	Mr. Apurv Gupta - Son

- **Entities over which KMP and/or their relatives have significant influence:**

Mr. Vivek Saraogi	1.	Meenakshi Mercantiles Ltd.
	2.	Udaipur Cotton Mills Co. Ltd.
	3.	Ganna Agro Pvt. Ltd.
	4.	Novel Suppliers Pvt. Ltd.
	5.	Kamal Nayan Saraogi [HUF] (upto 30th July 2021)
	6.	Vivek Saraogi [HUF]
Mr. Krishnava Dutt	1.	Argus Partners

- **Post employment benefit plan** — The Balrampur Sugar Company Limited Employees Gratuity Fund

(b) Transactions with Related parties :

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(i)	**Investment in equity instruments**				
	Auxilo Finserve Pvt. Ltd.	1749.64	-	-	1749.64
		(-)	(-)	(-)	(-)
(ii)	**Remuneration of KMP**				
	Mr. Vivek Saraogi	-	701.13	-	701.13
		(-)	(630.73)	(-)	(630.73)
	Mr. Praveen Gupta	-	70.43	-	70.43
		(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena	-	14.68	-	14.68
		(-)	(36.97)	(-)	(36.97)
(iii)	**Commission to non-executive directors**				
	Mr. Dinesh Kumar Mittal	-	31.90	-	31.90
		(-)	(24.00)	(-)	(24.00)
	Mr. Krishnava Dutt	-	20.90	-	20.90
		(-)	(16.00)	(-)	(16.00)
	Ms. Veena Hingarh	-	17.60	-	17.60
		(-)	(16.00)	(-)	(16.00)
	Ms. Mamta Binani	-	17.60	-	17.60
		(-)	(16.00)	(-)	(16.00)
	Mr. Naresh Dayal	-	22.00	-	22.00
		(-)	(16.00)	(-)	(16.00)
	Mr. Sumit Mazumder	-	-	-	-
		(-)	(22.00)	(-)	(22.00)

Note No. : 36 Other disclosures (contd.)

10. Related party disclosures (contd.)

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(iv)	**Sitting fees**				
	Mr. Dinesh Kumar Mittal	-	7.80	-	7.80
		(-)	(5.20)	(-)	(5.20)
	Mr. Krishnava Dutt	-	6.75	-	6.75
		(-)	(4.80)	(-)	(4.80)
	Ms. Veena Hingarh	-	6.45	-	6.45
		(-)	(4.20)	(-)	(4.20)
	Ms. Mamta Binani	-	7.95	-	7.95
		(-)	(8.00)	(-)	(8.00)
	Mr. Naresh Dayal	-	8.00	-	8.00
		(-)	(5.60)	(-)	(5.60)
	Mr. Sumit Mazumder	-	-	-	-
		(-)	(3.40)	(-)	(3.40)
(v)	**Rendering of services**				
	Ms. Avantika Saraogi	-	-	36.00	36.00
		(-)	(-)	(30.55)	(30.55)
	Argus Partners	-	-	-	-
		(-)	(-)	(7.06)	(7.06)
(vi)	**Purchase of property, plant and equipment**				
	Ganna Agro Pvt. Ltd.	-	-	110.05	110.05
		(-)	(-)	(-)	(-)
(vii)	**Dividend received from an associate (gross)**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(1491.98)	(-)	(-)	(1491.98)
(viii)	**Recovery towards deputation of an employee**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(5.60)	(-)	(-)	(5.60)
(ix)	**Rental income**				
	Ganna Agro Pvt. Ltd.	-	-	-	-
		(-)	(-)	(14.30)	(14.30)
(x)	**Expenses relating to employees defined benefit plan**				
	The Balrampur Sugar Company Limited Employees Gratuity Fund	-	-	1817.25	1817.25
		(-)	(-)	(1268.83)	(1268.83)

Note No. : 36 Other disclosures (contd.)

10. Related party disclosures (contd.)

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(xi)	**Interim dividend paid to equity shareholders (gross)**				
	Mr. Vivek Saraogi	-	1028.96	-	1028.96
		(-)	(1028.96)	(-)	(1028.96)
	Mr. Dinesh Kumar Mittal	-	0.04	-	0.04
		(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena	-	-	-	-
		(-)	(0.38)	(-)	(0.38)
	Ms. Sumedha Saraogi	-	-	551.08	551.08
		(-)	(-)	(551.08)	(551.08)
	Ms. Avantika Saraogi	-	-	79.68	79.68
		(-)	(-)	(79.68)	(79.68)
	Ms. Stuti Dhanuka	-	-	107.11	107.11
		(-)	(-)	(107.11)	(107.11)
	Meenakshi Mercantiles Ltd.	-	-	162.11	162.11
		(-)	(-)	(162.11)	(162.11)
	Udaipur Cotton Mills Co. Ltd.	-	-	142.24	142.24
		(-)	(-)	(142.24)	(142.24)
	Novel Suppliers Pvt. Ltd.	-	-	88.79	88.79
		(-)	(-)	(88.79)	(88.79)
	Vivek Saraogi (HUF)	-	-	3.69	3.69
		(-)	(-)	(3.69)	(3.69)
	Ms. Nita Gupta	-	-	0.01	0.01
		(-)	(-)	(-)	(-)
	Mr. Apurv Gupta	-	-	- *	- *
		(-)	(-)	(-)	(-)
(xii)	**Balance outstanding:**				
(a)	**Investments :**				
	Investment in equity instruments	17499.64			17499.64
		(15750.00)			(15750.00)
(b)	**Payables :**				
	Remuneration payable	-	296.00	-	296.00
		(-)	(360.00)	(-)	(360.00)
	Commission (net of TDS)	-	99.00	-	99.00
		(-)	(99.00)	(-)	(99.00)
	Contribution to employees defined benefit plan	-	-	117.25	117.25
		(-)	(-)	(118.83)	(118.83)

* Shown as Nil due to rounding off

Footnote:
Figures in bracket pertains to previous year

Note No. : 36 Other disclosures (contd.)

10. Related party disclosures (contd.)

(c) Details of Remuneration paid/payable to KMP:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023					Year ended 31st March, 2022				
	Mr. Vivek Saraogi	Mr. Praveen Gupta	Dr. Arvind Krishna Saxena	Other Directors	Total	Mr. Vivek Saraogi	Mr. Praveen Gupta	Dr. Arvind Krishna Saxena	Other Directors	Total
Short-term employee benefits										
- Salary	360.00	63.82	12.26	-	436.08	240.00	-	29.46	-	269.46
- Sitting fees	-	-	-	36.95	36.95	-	-	-	31.20	31.20
- Performance linked incentive/ commission	296.00	-	-	110.00	406.00	360.00	-	-	110.00	470.00
- Perquisites	1.93	3.03	1.39	-	6.35	1.93	-	4.49	-	6.42
	657.93	**66.85**	**13.65**	**146.95**	**885.38**	**601.93**	**-**	**33.95**	**141.20**	**777.08**
Post-employment benefits										
- Contribution to provident fund (including pension)	43.20	3.58	1.03	-	47.81	28.80	-	3.02	-	31.82
	701.13	**70.43**	**14.68**	**146.95**	**933.19**	**630.73**	**-**	**36.97**	**141.20**	**808.90**

Footnotes:

(i) The above remuneration does not include provisions for gratuity and leave encashment, which are determined for the Company as a whole.

(ii) Remuneration to Dr. Arvind Krishna Saxena excludes gratuity payment amounting to ₹24.81 Lakhs pursuant to settlement during the year which has been reimbursed by The Balrampur Sugar Co. Ltd. Employees Gratuity Fund.

(d) The transactions with related parties have been entered at an amount that is not materially different from those on normal commercial terms.

(e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provision for bad or doubtful debts has been recognized in the current year and previous year concerning the amounts owed by related parties.

(f) The remuneration of directors has been determined by the Nomination & Remuneration Committee and approved by the shareholders of the Company, taking into account the performance of individuals and market trends.

Note No. : 36 Other disclosures (contd.)

11. Revenue

The details of performance obligations in terms of Ind AS 115 - Revenue from contracts with customers are as follows:

(i) Sugar

The Sugar segment of the Company principally generates revenue from the sale of sugar, its by-products, and co-generated power to distribution companies.

Domestic sales of sugar are made on ex-factory terms or agreed terms to wholesale, institutional buyers, or merchant exporters within the country and revenue is recognized when the goods have been shipped or delivered to the buyer's specific location (as per agreed terms). Domestic sugar sales are mainly done on advance payment terms.

Export sales of sugar to merchant exporters are done on ex-factory or delivered basis in terms of the agreement, and revenue is recognized when the goods have been shipped or delivered to the buyer's specific location (as per agreed terms). The sale price and payment terms are fixed as per contracted terms.

Revenue from co-generated power is recognised on power supplies to distribution companies from the Company's facilities in accordance with the sale price, payment terms, and other conditions as per the Power Purchase Agreements ("PPA").

Bagasse and pressmud are generally sold on advance payment terms to customers on an ex-factory basis as per the agreement, and revenue is recognized when the goods have been shipped to the buyer.

(ii) Distillery

The distillery segment of the Company principally generates revenue from the sale of industrial alcohol, which mainly constitutes ethanol sold under contracts with Public and Private Oil Marketing Companies ("OMCs") and other products to institutional buyers, and co-generated power to distribution companies.

Ethanol is sold on a delivered basis as per the agreement, and revenue is recognized when the goods have been delivered to the Public and Private OMC's locations (as per agreed terms), inclusive of all duties, levies, taxes, charges, etc. The sale price is determined based on the Expression of Interest ("EOI") or Tender floated in case of Public OMCs and on agreement in case of Private OMCs. The payment terms in the case of Public and Private OMCs are within 30 days and 15 days respectively after the delivery of the material and submission of original invoices.

Other products like Rectified Spirit, Extra Neutral Alcohol (ENA), Dry Ice, etc., are sold in bulk to institutional buyers on an ex-factory basis as per agreed terms. Revenue is recognized when goods have been shipped to the buyer's specific location as per agreed terms. The payment terms are fixed as per the Company's credit policy, which is up to 45 days.

Revenue from co-generated power is recognised on power supplies to distribution companies from the Company's facilities in accordance with the sale price, payment terms, and other conditions as per the Power Purchase Agreements ("PPA").

(iii) Others

The Other segment principally generates revenue from the sale of agricultural fertilizers such as soil conditioner, granulated potash, etc.

Sale of agricultural fertilizers are done on an ex-factory or delivered basis in terms of the agreement, and revenue is recognized when the goods have been shipped or delivered to the buyer's specific location (as per agreed terms). The sale price and payment terms are fixed as per contracted terms and the Company's credit policy, which is up to 60 days.

Note No. : 36 Other disclosures (contd.)

12. Segment information

(a) The Chairman and Managing Director has been identified as the Company's Chief Operating Decision Maker (CODM) in terms of Ind AS 108 – "Operating Segments". The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by Business segments. The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed.

In addition, revenue and expenses have been allocated to a segment based on the segment's operating activities. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable". Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as " Unallocable".

(b) Revenue and results from operations based on reportable segments:

(₹ in Lakhs)

Particulars	Sugar	Distillery	Others	Adjustments / Elimination	Total
Revenue					
External sales	348807.11	115329.66	2449.40	-	466586.17
	(375711.69)	(99669.80)	(1944.99)	(-)	(477326.48)
Inter segment sales	85050.34	1067.89	-	(86118.23)	-
	(43310.23)	(471.29)	(15.46)	(-)(43796.98)	(-)
Other operating revenue	-	-	-	-	-
	(7276.20)	(-)	(-)	(-)	(7276.20)
Revenue from operations	**433857.45**	**116397.55**	**2449.40**	**(86118.23)**	**466586.17**
	(426298.12)	(100141.09)	(1960.45)	(-)(43796.98)	(484602.68)
Segment profit	**23848.61**	**26130.29**	**1309.63**	**-**	**51288.53**
	(29630.30)	(38236.31)	(959.51)	(-)	(68826.12)
Unallocable expenditure net of unallocable income *	-	-	-	-	6726.92
	(-)	(-)	(-)	(-)	(5451.69)
Finance costs					4864.68
					(3086.89)
Profit before exceptional items and tax					**39696.93**
					(60287.54)
Exceptional items					-
					(5273.75)
Profit before tax					**39696.93**
					(65561.29)
Tax					
Current tax					**6941.72**
					(11465.79)
Deferred tax					**5202.05**
					(2629.73)
Profit for the year					**27553.16**
					(51465.77)

* includes interest income - ₹83.53 Lakhs (Previous Year: ₹38.42 Lakhs)

Note No. : 36 Other disclosures (contd.)

12. Segment information (contd.)

Footnotes:

(i) Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments/eliminations' column. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at Company level. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to the segments as they are also managed at Company level.

(ii) Transactions between segments are primarily transferred at cost/ transaction price based on current estimated market prices. Common costs are apportioned on reasonable basis.

(iii) Figures in bracket pertains to previous year.

(c) Other information

(₹ in Lakhs)

Particulars	Sugar	Distillery	Others	Unallocable	Total
Segment assets	353569.40	147449.99	2085.71	37111.54	540216.64
	(330425.24)	(93562.16)	(2181.06)	(21518.32)	(447686.78)
Segment liabilities	42316.06	6821.17	94.21	203442.04	252673.48
	(35628.85)	(5424.28)	(116.90)	(130700.65)	(171870.68)
Capital expenditure *	43715.76	42951.04	24.37	6926.99	93618.16
	(14208.07)	(20205.45)	(58.38)	(912.84)	(35384.74)
Depreciation and amortisation	8134.06	4437.51	91.90	286.83	12950.30
	(7679.41)	(3374.62)	(87.09)	(245.37)	(11386.49)
Non cash expenses other than depreciation and amortisation	693.33	519.64	12.45	(117.92)	1107.50
	(400.73)	(444.47)	(1.06)	(-)(21.98)	(824.28)

*Capital expenditure consists of additions to property, plant and equipment, capital work-in-progress and intangible assets and includes depreciation, finance costs and other pre-operative expenses capitalised.

Footnote:
Figures in bracket pertains to previous year

(d) In the following table, revenue is disaggregated by geographical market, major products/service lines and timing of revenue recognition and includes a reconciliation of the disaggregated revenue with the Company's reportable segments.

(₹ in Lakhs)

Particulars	Domestic		Total reportable segment	All other segment	Total
	Sugar	Distillery			
Geographical markets					
Within India	295861.55	115329.66	411191.21	2449.40	413640.61
	(357731.17)	(99669.80)	(457400.97)	(1944.99)	(459345.96)
Within India to merchant exporter	52945.56	-	52945.56	-	52945.56
	(17980.52)	(-)	(17980.52)	(-)	(17980.52)
Total	**348807.11**	**115329.66**	**464136.77**	**2449.40**	**466586.17**
	(375711.69)	(99669.80)	(475381.49)	(1944.99)	(477326.48)

Note No. : 36 Other disclosures (contd.)

12. Segment information (contd.)

(₹ in Lakhs)

Particulars	Domestic		Total reportable segment	All other segment	Total
	Sugar	Distillery			
Major product					
Sugar (including Raw Sugar)	325097.26	-	325097.26	-	325097.26
	(356255.26)	(-)	(356255.26)	(-)	(356255.26)
Industrial alcohol	-	113227.65	113227.65	-	113227.65
	(-)	(97462.00)	(97462.00)	(-)	(97462.00)
Co-generated power	10123.93	708.13	10832.06	-	10832.06
	(10857.17)	(683.61)	(11540.78)	(-)	(11540.78)
Bagasse	9924.71	-	9924.71	-	9924.71
	(7828.93)	(-)	(7828.93)	(-)	(7828.93)
Others	3661.21	1393.88	5055.09	2449.40	7504.49
	(770.33)	(1524.19)	(2294.52)	(1944.99)	(4239.51)
Total	**348807.11**	**115329.66**	**464136.77**	**2449.40**	**466586.17**
	(375711.69)	(99669.80)	(475381.49)	(1944.99)	(477326.48)
Timing of revenue recognition					
Products and services transferred					
- at a point in time	348807.11	115329.66	464136.77	2449.40	466586.17
	(375711.69)	(99669.80)	(475381.49)	(1944.99)	(477326.48)
- over time	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Total	**348807.11**	**115329.66**	**464136.77**	**2449.40**	**466586.17**
	(375711.69)	(99669.80)	(475381.49)	(1944.99)	(477326.48)

Footnote: Figures in bracket pertains to previous year

(e) **Information about major customers:**

Revenues from one customer of the Company's Sugar segment was ₹52945.56 Lakhs representing approximately 11.35% of the Company's total revenues for the year ended 31 March 2023.

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2022.

13. Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has neither given any loan nor has advanced any amount either during the year ended 31st March, 2023 or 31st March, 2022. Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

14. During the year ended 31st March 2022, the Company sold its entire shareholding of 45.00% in its Associate Company viz. Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL") consisting of 7852500 equity shares of ₹10/- each at an agreed consideration of ₹7317.71 Lakhs. Accordingly, VPSPPL ceased to be an Associate of the Company w.e.f. 15th February, 2022.

The resultant gain on sale of aforesaid investment aggregating to ₹5273.75 Lakhs, net of transaction costs amounting to ₹80.83 Lakhs was recognised and shown as "Exceptional items" during the year ended 31st March 2022.

15. The Board of Directors of the Company at its meeting held on 15th September, 2017 considered and approved cumulative investment of ₹17500.00 Lakhs in tranches over a period of five years in Auxilo Finserve Private Limited ("AFPL"), an unlisted NBFC based in India and engaged in financing activities in education sector.

The Company has so far acquired 165292000 (Previous Year: 155000000) Equity shares of AFPL having face value ₹10/- each with total cost of ₹17499.64 Lakhs (Previous Year: ₹15750.00 Lakhs) on preferential issue basis constituting 43.93% (Previous Year: 44.36%) as at 31st March, 2023.

Note No. : 36 Other disclosures (contd.)

16. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2023

(₹ in Lakhs)

Sl. No.	Particulars	Refer note no.	Cost	Amortised cost	FVTPL	Total
(1)	**Financial assets**					
(a)	Investments	6(i) , 6(ii)	17499.64	-	6125.06	23624.70
(b)	Trade receivables	12	-	12482.31	-	12482.31
(c)	Cash and cash equivalents	13	-	30.99	-	30.99
(d)	Bank balances other than cash and cash equivalents	14	-	1158.51	-	1158.51
(e)	Other financial assets	7(i) , 7(ii)	-	1227.79	-	1227.79
	Total		**17499.64**	**14899.60**	**6125.06**	**38524.30**
(2)	**Financial liabilities**					
(a)	Borrowings	18(i) , 18(ii)	-	187862.05	-	187862.05
(b)	Lease liabilities	19	-	99.30	-	99.30
(c)	Trade and other payables	24	-	35187.20	-	35187.20
(d)	Other financial liabilities	20	-	12169.26	-	12169.26
	Total		**-**	**235317.81**	**-**	**235317.81**

As at 31st March, 2022

(₹ in Lakhs)

Sl. No.	Particulars	Refer note no.	Cost	Amortised cost	FVTPL	Total
(1)	**Financial assets**					
(a)	Investments	6(i) , 6(ii)	15750.00	-	-	15750.00
(b)	Trade receivables	12	-	13672.39	-	13672.39
(c)	Cash and cash equivalents	13	-	32.18	-	32.18
(d)	Bank balances other than cash and cash equivalents	14	-	295.40	-	295.40
(e)	Other financial assets	7(i) , 7(ii)	-	479.43	-	479.43
	Total		**15750.00**	**14479.40**	**-**	**30229.40**
(2)	**Financial liabilities**					
(a)	Borrowings	18(i) , 18(ii)	-	120962.90	-	120962.90
(b)	Lease liabilities	19	-	108.35	-	108.35
(c)	Trade and other payables	24	-	30828.50	-	30828.50
(d)	Other financial liabilities	20	-	7542.21	-	7542.21
	Total		**-**	**159441.96**	**-**	**159441.96**

B. Fair value hierarchy

The fair value of the financial assets, financial liabilities are included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other current financial assets, short term borrowings from banks and financial institutions, trade and other payables, and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

Note No. : 36 Other disclosures (contd.)

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 prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value hierarchy of assets measured at fair value on a recurring basis as at 31st March 2023:

(₹ in Lakhs)

Particulars	Refer note no.	Level 1	Level 2	Level 3	Total
FVTPL - Financial asset -	6(ii)	6125.06	-	-	6125.06
Investments in units of mutual funds		(-)	(-)	(-)	(-)
		6125.06	**-**	**-**	**6125.06**
		(-)	(-)	(-)	(-)

Footnote:

Figures in bracket pertains to previous year

17. Financial risk management objectives and policies

The Company's principal financial liabilities includes borrowings, lease liabilities, trade payables, other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets that derive mainly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management under the supervision of the Board of Directors oversees the management of these risks. The Company's financial risks 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. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below:

(a) 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 regulatory risk and commodity price risk. Financial instruments affected by market risk include borrowings and investments.

(i) 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 borrowings obligations.

Sugar is produced over a period of 5 to 6 months and is required to be stored for sale over a period of 12 months, thereby resulting in very high requirement of working capital. Cost of funding depends on the overall fiscal environment in the country as well as the Company's credit worthiness /credit ratings. Failure to maintain credit rating can adversely affect the cost of funds.

Note No. : 36 Other disclosures (contd.)

17. Financial risk management objectives and policies (contd.)

To mitigate the interest rate risk, the Company maintains an impeccable track record and ensures long term relation with the lenders to raise adequate funds at competitive rates. Company has access to low cost borrowings because of its healthy Balance Sheet. Moreover, Company deals with four banks thereby reducing the risk significantly. In addition, steady revenue from distillery business reduces the overall requirements of working capital.

As at 31st March 2023, the Company has outstanding non-current borrowings, aggregating to ₹61705.12 Lakhs (Previous Year: ₹25695.15 Lakhs). Of these, non-current borrowings of ₹52578.10 Lakhs (Previous Year: ₹9266.50 Lakhs) are linked to variable interest rates and among them, non-current borrowings of ₹38610.51 Lakhs(Previous Year: ₹9266.50 Lakhs) are covered under interest subvention scheme [For details of the Company's long-term and short-term loans and borrowings, including interest rate profiles, Refer note no. 18(i), 18(ii) and footnote (ii) to note no. 36(8)].

Thus, 50 bps increase / decrease in the interest rate will not have a material impact in the Statement of Profit and Loss.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. To mitigate foreign exchange risk, the Company covers its position through permitted hedging methods. There was no foreign currency exposure as at 31st March, 2023 and 31st March, 2022.

(iii) Commodity price risk

The major segment in which the Company operates, which accounts for around 75% of the Company's total revenue, is Sugar and as such the Company is exposed to commodity price risk.

The Government announces domestic sales quotas on a monthly basis. Moreover, there are not many active platforms in India that allow hedging of domestic sugar sales. Additionally, the Central Government had announced a Minimum Sale Price (MSP) for the sale of sugar in the open market by every sugar mill. Currently set at ₹31/- per kilogram, this MSP acts as a minimum floor price for the sale of sugar by the sugar mills in India.

Normally, the Company does not physically export sugar. However, the Company has a policy in place to hedge the underlying exposure associated with exports.

The pricing methodology for ethanol remained unchanged. Ethanol prices (excluding ethanol produced from grains) are announced by the Central Government which are based on Fair and Remunerative Price (FRP) of sugarcane, cost of production of sugar and realisation of by-products.

Price of Ethanol produced from grains are announced annually by the Oil Marketing Companies ("OMC").

(iv) Other price risk:

The Board of Directors reviews and approves equity investment decisions. Company's equity risk exposure is limited to cost and these are subject to impairment testing as per the policies followed in this respect. Accordingly, other price risk is not expected to be material.

(b) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including borrowings from banks and financial institutions. The Company's sugar sales are mostly on cash. Co-generated Power is sold to government entities and ethanol is sold under contracts to Public and Private Oil Marketing Companies ("OMCs"). The Company keeps a close watch on the realisation of the outstanding amounts and has not experienced any significant default.

The Company uses judgment in making the assumptions and selecting the inputs for assessing the impairment calculation, based on the Company's past history, existing market conditions, and future estimates at the end of each balance sheet date. Impairment allowance against financial assets is created and subsequently written off when there is no reasonable expectation of recovery. However, the Company continues to recover the receivables. Where recoveries are made, these are recognised in the Standalone Statement of Profit and Loss.

Note No. : 36 Other disclosures (contd.)

17. Financial risk management objectives and policies (contd.)

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing; Refer note no. 36(11) for credit terms.

An impairment analysis is performed at each balance sheet date on an individual basis for major customers. Large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the carrying value of each financial assets class disclosed under note no. 12.

The following table summarizes the change in the loss allowances measured using life time expected credit loss model for trade receivables:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening Balance	-	97.63
Utilised during the year	-	35.27
Reversed during the year upon settlement	-	62.36
Closing Balance	**-**	**-**
- Current	-	-
- Non-current	-	-

(ii) Balances with banks

Credit risk for balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the Standalone balance sheet as at 31st March, 2023 and 31st March, 2022 is the carrying amounts as stated under note no. 13 and 14 and fixed deposits with banks included under note no. 7(i).

(c) Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to meet the funding requirement and maintain flexibility in this respect through the use of cash credit facilities, short term loans and commercial papers.

The table below summarises the carrying value and contractual cash flows of Company's financial liabilities :

(₹ in Lakhs)

Sl. No.	Particulars	Carrying value	Contractual cash flows	Less than 1 year	Between 1 to 5 years	More than 5 years
A.	**As at 31st March, 2023**					
(i)	Borrowings					
	- Current maturities of long - term debt	18607.62	18607.62	18607.62	-	-
	- Current - Loans repayable on demand	126379.46	126379.46	126379.46	-	-
		144987.08	144987.08	144987.08	-	-
	- Non-current	42874.97	43129.91	-	43129.91	-
		187862.05	**188116.99**	**144987.08**	**43129.91**	**-**
(ii)	Lease liabilities	99.30	133.07	16.63	66.53	49.91
(iii)	Trade and other payables	35187.20	35187.20	35187.20	-	-
(iv)	Other financial liabilities	12169.26	12169.26	12169.26	-	-
	Total	**235317.81**	**235606.52**	**192360.17**	**43196.44**	**49.91**

Note No. : 36 Other disclosures (contd.)

17. Financial risk management objectives and policies (contd.)

(₹ in Lakhs)

Sl. No.	Particulars	Carrying value	Contractual cash flows	Less than 1 year	Between 1 to 5 years	More than 5 years
B.	**As at 31st March, 2022**					
(i)	Borrowings					
	- Current maturities of long - term debt	10557.62	10557.62	10557.62	-	-
	- Current - Loans repayable on demand	95985.41	95985.41	95985.41	-	-
		106543.03	106543.03	106543.03	-	-
	- Non-current	14419.87	15137.53	-	15137.53	-
		120962.90	**121680.56**	**106543.03**	**15137.53**	**-**
(ii)	Lease liabilities	108.35	149.70	16.63	66.53	66.54
(iii)	Trade and other payables	30828.50	30828.50	30828.50	-	-
(iv)	Other financial liabilities	7542.21	7542.21	7542.21	-	-
	Total	**159441.96**	**160200.97**	**144930.37**	**15204.06**	**66.54**

The Company has current financial and non-financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

18. Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the Company's equity shareholders. The Company's objective while managing capital is to safeguard its ability to continue as a going concern and continue to provide returns to shareholders and other stakeholders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the financial covenants' requirements and return of capital to shareholders.

To achieve this overall objective, the Company's capital management, amongst other things, also aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. The Company has complied with these covenants. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2023 and 31st March, 2022.

The Company monitors capital using debt-equity ratio, which is total long-term debt divided by total equity.

(₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total long-term debt (including lease liabilities and current maturities of long term debt)	61804.42	25803.50
Total equity	287543.16	275816.10
Debt to equity ratio	0.21	0.09

Note No. : 36 Other disclosures (contd.)

(b) Dividend on equity shares declared and paid:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Year to which interim dividend relates	2022-23	2021-22
Interim dividend paid per equity share (₹)	2.50	2.50
Gross amount of Interim dividend (₹ in Lakhs)	5084.36	5101.00

19A. Other Statutory information

(i) Details of balance outstanding with struck off companies as at 31st March 2023:

(₹ in Lakhs)

Name of struck off companies	Relationship with struck off company	Nature of transactions with struck off company	Balance outstanding	
			As at 31st March, 2023	As at 31st March, 2022
Sureka Equipments Pvt. Ltd.	Vendor	Purchases	No transaction during the year	-

(ii) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) For working capital facilities, the Company has submitted Stock statement to banks on monthly basis.

The difference between the value as per books and as per the monthly statements submitted on quarter ends with the banks are given below:

(₹ in Lakhs)

Quarter ending	Value as per books of accounts	Value as per statements submitted with banks	Difference *
30th June, 2022	135784.76	138976.17	(3191.41)
30th September, 2022	46967.64	47878.52	(910.88)
31st December, 2022	64313.88	64776.56	(462.68)
31st March, 2023	192483.00	204008.87	(11525.87)
30th June, 2021	165568.33	163787.23	1781.10
30th September, 2021	68939.60	65248.95	3690.65
31st December, 2021	70707.71	64573.68	6134.03
31st March, 2022	210041.83	192891.14	17150.69

* Reason for difference

Differences are primarily due to the variation in valuation methodology of inventory for sugar. For Stock Statements submitted to banks, sugar inventory have been valued in terms of sanction letters, whereas in books such inventory are carried at lower of cost or net realisable value as per the accounting policy of the Company.

Notes forming part of the Standalone Financial Statements
for the year ended 31st March, 2023

Note No. : 36 Other disclosures (contd.)

19B. Ratio analysis and its elements:

Sl. No.	Ratio	Numerator	Denominator	31st March 2023	31st March 2022	% Change	Reason for variance (where change is more than 25 %)
(1)	Current ratio	Current assets	Current liabilities	1.31	1.60	-18.13%	
(2)	Debt- equity ratio	Long term borrowings (+) Current maturities of long term debt (+) Deferred income (+) Lease liabilities	Equity computed as: Share capital (+) Other equity	0.21	0.09	133.33%	Mainly due to incremental borrowings availed during the year to fund capital expenditure
(3)	Debt service coverage ratio	Profit for the year [i.e. Profit after tax] (+) Depreciation and amortisation expense (+) Finance costs (-) Exceptional item (Net of tax)	Finance costs (+) Current lease liabilities (+) Current maturities of long term debt	1.93	4.52	-57.30%	Due to incremental borrowings and lower profit
(4)	Return on equity	Profit for the year [i.e. Profit after tax]	Average equity	9.78%	19.34%	-49.43%	Majorly due to decline in profit year on year
(5)	Inventory turnover ratio	Revenue from operations	Average inventory	2.06	2.12	-2.83%	
(6)	Trade receivable turnover ratio	Revenue from operations	Closing trade receivables	37.38	35.44	5.47%	
(7)	Trade payable turnover ratio	Purchases	Average trade payables	12.90	13.08	-1.38%	
(8)	Net capital turnover ratio	Revenue from operations	Average working capital computed as Average current assets (–) Average current liabilities	6.22	4.97	25.10%	Mainly due to decline in working capital
(9)	Net profit ratio	Profit for the year [i.e. Profit after tax]	Revenue from operations	0.06	0.11	-44.35%	Due to decline in profit year on year
(10)	Return on capital employed	Profit before tax (+) Interest on long term borrowings (+) Interest on lease liabilities (-) Exceptional item	Average capital employed Capital employed computed as Equity (-) Intangible assets (+) Long term borrowings (+) Current maturities of long term debt (+) Deferred income (+) Lease liabilities (+) Deferred tax liabilities	12.55%	20.72%	-39.43%	Capital employed during the year increased due to new capacity/ expansion programme. Full operational benefit of incremental capacity will start accruing from FY 2023-24 onwards. In addition, profitability from existing operations were on the lower side
(11)	Return on Investment (investment in associates in equity shares - carried at cost)	Gain on buy-back of equity shares of an associate (+) Dividend received from an associate (+) Exceptional items [i.e. profit on sale of equity shares of an associate]	Average investment in equity shares	-	40.44%	-100.00%	a) Return on Investments in associates in equity shares in current year is Nil, since, these investments are carried at cost and no dividend was received during the year b) Profit on sale of equity shares of an associate during the previous year c) Dividend received from an associate during the previous year
	Return on Investment (investment in mutual funds- at FVTPL)	Income on current investments in mutual funds	Average investment in mutual funds	6.09%	-	-	Investments made during the year

Notes forming part of the Standalone Financial Statements

20. The previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with those of the current year's figures.

As per our report of even date attached

For LODHA & CO

Chartered Accountants

Firm's Registration No. - 301051E

sd/-

R. P. Singh

Partner

Membership No. 052438

Place of signature: Kolkata

Date: 11th May, 2023

For and on behalf of the Board of Directors

sd/-

Pramod Patwari

Chief Financial Officer

Place of signature: Kolkata

sd/-

Vivek Saraogi

Chairman and Managing Director

DIN- 00221419

Place of signature: Kolkata

sd/-

Manoj Agarwal

Company Secretary

Place of signature: Kolkata

sd/-

Praveen Gupta

Whole-time Director

DIN- 09651564

Place of signature: Haidergarh

Independent Auditors' Report

To the Members of
Balrampur Chini Mills Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of **Balrampur Chini Mills Limited** (hereinafter referred to as "the Company") and share of its profit of Associate, which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (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 report of other auditor on the financial statements, and on the other financial information of the Associate, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company including its Associate, as at 31st March, 2023, consolidated profit (including other comprehensive income), consolidated changes in equity and the consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) notified under section 143(10) of the Act. Our responsibilities under those SAs 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 Company and its Associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (hereinafter referred to as "the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditor in terms of their report referred to in "Other Matter" paragraph below is sufficient and appropriate to provide a basis for our 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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matters described below to be the key audit matters for incorporation in our report.

We have fulfilled the responsibilities described in the Auditors' 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 result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our opinion on the accompanying consolidated financial statements.

Sl. No.	Key Audit Matters	Addressing the Key Audit Matters
1	**Valuation and determination of Inventory** As on 31st March, 2023, the Company has inventory of sugar with the carrying value of ₹169384.98 Lakhs which forms significant part of the total assets of the Company. The inventory of sugar is valued at the lower of cost and net realizable value.	**Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the inventory include the following:** ▪ Evaluating the accounting policy followed for valuation of inventory of sugar and appropriateness thereof with respect to relevant accounting standards in this respect.

<table>
<tr><th>Sl. No.</th><th>Key Audit Matters</th><th>Addressing the Key Audit Matters</th></tr>
<tr><td></td><td>Significant judgement is involved in determining:
▪ the cost of production of sugar which is dependent upon variability in seasonal factors including number of sugarcane crushing days, recovery of sugar from cane and valuation of the products produced incidental to and/ or along with the production of sugar.
▪ the realizable price of sugar which is factored considering the minimum sale price, monthly quota and fluctuation in domestic and international selling prices.</td><td>▪ Review of the process of physical verification of sugar and its reconciliation with the book stock.
▪ Understanding and testing the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory of sugar and consistency with respect to policy followed in this respect.
▪ Evaluating the adequacy of the method used, relevance and reliability of data and the systems & procedures followed for valuing intermediary products and arriving at the cost of sugar produced by the Company.
▪ Review of the selling price of sugar prevailing at the year end and subsequent to that and directives of the Government concerning minimum sale price, monthly quota and initiative taken by the Company ensuring the compliances thereof.</td></tr>
<tr><td>2</td><td>Recognition of Deferred tax assets and liabilities
Deferred tax assets pertaining to MAT Credit entitlement amounting to ₹11568.72 Lakhs as on 31st March, 2023, as recognized in earlier years has been continued in the books of accounts in this year. Recognition of deferred tax assets and liabilities is based on expected utilization and/ or reversal thereof considering the management's projection of future taxable income of the company. This involves estimation of future operations and profitability based on assumptions and anticipations which may be in variance with the actual happening.</td><td>Our audit procedures based on which we arrived at the conclusion regarding reasonableness of the recognition of deferred tax assets include the following:
▪ Evaluation of the temporary differences and utilization/ reversal of deferred tax assets and liabilities based on internal forecasts by the management and resultant impact on future taxable income of the Company.
▪ The above includes critical review of underlying assumptions for consistency and arriving at reasonable level of probability on the matters with due regard to the current and past results and performances, as required in terms of Ind AS 12 "Income Taxes" and principles in this regard.
▪ Review of management's assumption with respect to profit in future periods and taxability thereof and placing reliance on such assumptions and projections given the current scale of operations and prevailing conditions and situations.</td></tr>
</table>

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report but does not include consolidated financial statements, standalone financial statements and our auditors' reports thereon. 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report with respect to the above.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Company including its Associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards notified under section 133 of the Act read with relevant rules issued there under. The respective Board of Directors of the Company 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 the Company and its Associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Company including its Associate are responsible for assessing the Company's ability including its Associate's 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 and its Associate or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company including its Associate.

AUDITORS' 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 auditors' 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 based on these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 controls;
- 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 including its Associate has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability including its Associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company including 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 statements of its Associate 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 results 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.

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

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

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

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

We did not audit the financial statements of Associate, Auxilo Finserve Private Limited (AFPL) included in the consolidated financial statements for the year ended 31st March, 2023 which includes:

The Company's share of net profit after tax of ₹892.33 Lakhs, other comprehensive income (net of tax) of ₹(4.36) Lakhs and total comprehensive income of ₹887.97 Lakhs for the year ended 31st March, 2023. The financial statements of AFPL for the year ended 31st March, 2023 have been audited by other auditor in accordance with Standards on Auditing notified under Section 143 of the Act and their report containing unmodified opinion, have been furnished to us by the management.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The matters reported hereunder are based on the financial statements of the Company and its Associate "AFPL" and on consideration of report of other auditor of the said Associate.

1. With respect to the matters specified in clause (xxi) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the "Order"/ "CARO") issued by the Central Government in terms of section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditor of the Associate Company, the financial statements of which has been considered for the preparation of consolidated financial statements of the Company, as provided to us by the Management, we report that the remarks given in CARO Report of the respective companies are neither qualification nor adverse in nature. In respect of the following clauses of CARO, as reported by the statutory auditor of the Associate Company, answers to the matters referred to in the clauses herein below were not affirmative:

Name of the Company	CIN	Company/ Associate	Clause number of the CARO report
Auxilo Finserve Private Limited	U65990MH2016PTC286516	Associate	(iii)(c) and (iii)(d)

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 of the aforesaid consolidated financial statements;
    b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement 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 Indian Accounting Standards notified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

e) Based on the written representations received from the directors of the Company as on 31st March, 2023 taken on record by the Board of Directors of the Company and as per the report of other statutory auditor of its Associate, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls, refer to our Report in "Annexure A" which is based on the audited report of the Company audited by us and its Associate audited by other auditor. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal control with reference to consolidated financial statements of the Company and its Associate incorporated in India; and

3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), in our opinion and to the best of our information and according to the explanations given to us:

i. Pending litigations (other than those already recognized in the consolidated financial statements) having material impact on the financial position of the Company have been disclosed in the consolidated financial statements as required in terms of accounting standards and provisions of Companies Act, 2013– Refer note no. 36(1)(a) and 36(3)(b) to the consolidated financial statements;

ii. The Company and its Associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (hereinafter referred to as "Fund") by the Company and in case of its Associate there were no amount which were required to be transferred to such Fund;

iv. a. The respective managements of the Company and its Associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Associate that, to the best of their 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 or its Associate to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its Associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The respective managements of the Company and its Associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such Associate that, to the best of their knowledge and belief, no funds have been received by the Company or its Associate from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its Associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("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 other auditor of the Associate 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 them to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as stated under (a) and (b) above, contain any material misstatement;

v. As stated in note no. 36(18)(b) to the consolidated financial statements, the dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act. The Associate has not declared or paid any dividend during the year; and

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from 1st April, 2023 to the Company and its Associate and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the remuneration (including sitting fees) paid by the Company and its Associate to its respective Directors during the current year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

FOR LODHA & CO
Chartered Accountants
Firm's Registration No: 301051E

sd/-
R. P. SINGH
(Partner)
Membership No. 052438
UDIN: 23052438BGXSCA8079

Place: Kolkata
Date: 11th May, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

(Referred to in point (f) of paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of M/s Balrampur Chini Mills Limited)

Report on the Internal Financial Controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (hereinafter referred to as "the Act")

In conjunction with our audit of the consolidated financial statements of the Company and its Associate as of and for the year ended 31st March, 2023, we have audited the internal financial controls with reference to the consolidated financial statements of Balrampur Chini Mills Limited (hereinafter referred to as "the Company") and its Associate, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

The respective Board of Directors of the Company and its Associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred to as "the Guidance Note") issued by the Institute of Chartered Accountants of India (hereinafter referred to as "the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to the consolidated financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing deemed to be notified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the 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 system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of internal financial controls with reference to the 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 auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the auditor of the Associate, which are companies incorporated in India, in terms of their report referred to in the "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the 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 the consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the 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 the consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to the 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 Company and its Associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to the consolidated financial statements and such internal financial controls with reference to consolidated financial statements was operating effectively as at 31st March, 2023, based on the internal control with reference to the consolidated financial statements 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.

OTHER MATTER

Our aforesaid reports 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 in so far as it relates to its Associate as on the reporting date, which are companies incorporated in India, is based on the corresponding report of the auditor, as applicable, of such companies incorporated in India.

FOR LODHA & CO
Chartered Accountants
Firm's Registration No: 301051E

sd/-
R. P. SINGH
(Partner)
Membership No. 052438
UDIN: 23052438BGXSCA8079

Place: Kolkata
Date: 11th May, 2023

Consolidated Balance Sheet as at 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	259790.38	163267.37
(b) Capital work-in-progress	4	2428.88	20430.05
(c) Intangible assets	5	68.74	97.26
(d) Financial assets			
(i) Investment			
Investment in associate accounted for using the equity method	6 (i)	20134.62	17256.12
(ii) Other financial assets	7(i)	299.20	204.66
(e) Non-current tax assets (net)	8	1167.74	1142.34
(f) Other non-current assets	9	1188.49	9143.20
Total non-current assets		**285078.05**	**211541.00**
Current assets			
(a) Inventories	10	231868.16	220050.73
(b) Biological assets	11	23.67	18.95
(c) Financial assets			
(i) Investment	6(ii)	6125.06	-
(ii) Trade receivables	12	12482.31	13672.39
(iii) Cash and cash equivalents	13	30.99	32.18
(iv) Bank balances other than cash and cash equivalents	14	1158.51	295.40
(v) Other financial assets	7(ii)	928.59	274.77
(d) Other current assets	15	5156.28	3307.48
Total current assets		**257773.57**	**237651.90**
TOTAL ASSETS		**542851.62**	**449192.90**
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	16	2017.49	2040.40
(b) Other equity	17	287540.10	274930.95
Total equity		**289557.59**	**276971.35**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18(i)	42874.97	14419.87
(ii) Lease liabilities	19	82.67	91.72
(b) Deferred income	21	6.89	222.52
(c) Provisions	22(i)	1071.01	957.44
(d) Deferred tax liabilities (net)	23	12815.07	7550.40
Total non-current liabilities		**56850.61**	**23241.95**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18(ii)	144987.08	106543.03
(ii) Lease liabilities	19	16.63	16.63
(iii) Trade and other payables	24		
(a) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		308.83	205.18
Total outstanding dues of creditors other than micro enterprises and small enterprises		31293.07	27579.37
(b) Other payables			
Total outstanding dues of micro enterprises and small enterprises		617.02	406.92
Total outstanding dues of creditors other than micro enterprises and small enterprises		2968.28	2637.03
(iv) Other financial liabilities	20	12169.26	7542.21
(b) Deferred income	21	215.64	495.14
(c) Other current liabilities	25	3128.08	2880.20
(d) Provisions	22(ii)	739.53	673.89
Total Current liabilities		**196443.42**	**148979.60**
TOTAL EQUITY AND LIABILITIES		**542851.62**	**449192.90**

Accompanying notes 1 to 36 are an integral part of the consolidated financial statements.

As per our report of even date attached
For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Date: 11th May, 2023

Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from operations	26	466586.17	484602.68
Other income	27	6279.14	3301.55
Total income		**472865.31**	**487904.23**
Expenses:			
Cost of materials consumed	28	341939.67	326173.02
Changes in inventories of finished goods, by-products and work-in-progress	29	(1015.71)	19441.60
Employee benefits expense	30	36379.25	30780.44
Finance costs	31	4864.68	3086.89
Depreciation and amortisation expense	32	12950.30	11386.49
Other expenses	33	38078.98	38237.81
Total expenses		**433197.17**	**429106.25**
Profit before share of profit of associates, exceptional items and tax		**39668.14**	**58797.98**
Share of profit of associates		1163.33	1194.09
Profit before exceptional items and tax		**40831.47**	**59992.07**
Exceptional items	36(14)	-	(120.37)
Profit before tax		**40831.47**	**59871.70**
Tax expense	34		
Current tax		6941.72	11465.79
Deferred tax		5473.05	1942.36
Total tax expense		**12414.77**	**13408.15**
Profit for the year		**28416.70**	**46463.55**
Other comprehensive income	35		
Items that will not be reclassified to profit or loss		(962.29)	(562.80)
Income tax relating to items that will not be reclassified to profit or loss		335.60	195.78
Total other comprehensive income for the year		**(626.69)**	**(367.02)**
Total comprehensive income for the year		**27790.01**	**46096.53**
(Comprising of profit and other comprehensive income for the year)			
Earnings per equity share of ₹1/- each	36(7)		
- Basic and Diluted (₹)		13.94	22.44
Weighted average number of shares used in computing earnings per share			
- Basic and Diluted		203890016	207022892

Accompanying notes 1 to 36 are an integral part of the consolidated financial statements.

As per our report of even date attached
For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Date: 11th May, 2023

Consolidated Statement of Changes in Equity for the year ended 31st March, 2023

(a) Equity share capital

For the year ended 31st March, 2023 (₹ in Lakhs)

Opening balance as at 1st April, 2022	Changes in equity share capital during the year [Refer note no. 16(c)]	Closing balance as at 31st March, 2023
2040.40	(22.91)	2017.49

For the year ended 31st March, 2022 (₹ in Lakhs)

Opening balance as at 1st April, 2021	Changes in equity share capital during the year [Refer note no. 16(c)]	Closing balance as at 31st March, 2022
2100.00	(59.60)	2040.40

(b) Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus					Other comprehensive income	Total other equity
	Capital reserve	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Opening balance as at 1st April, 2022	**1075.58**	**3064.08**	**89.29**	**170000.00**	**100702.00**	**-**	**274930.95**
Changes in equity during the year ended 31st March, 2023							
Profit for the year	-	-	-	-	28416.70	-	28416.70
Other comprehensive income for the year	-	-	-	-	-	(626.69)	(626.69)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**28416.70**	**(626.69)**	**27790.01**
Transfer on account of buy-back of equity shares [Refer note no. 36(4)(a)]	-	22.91	-	-	(22.91)	-	-
Utilised on account of buy-back of equity shares [Refer note no. 36(4)(a)]	-	-	-	-	(8162.23)	-	(8162.23)
Tax on buy-back of equity shares [Refer note no. 36(4)(a)]	-	-	-	-	(1893.47)		(1893.47)
Buy-back expenses (net of tax ₹39.92 Lakhs) [Refer note no. 36(4)(a)]	-	-	-	-	(74.31)	-	(74.31)
Storage fund for molasses created during the year [Refer note no. 17(iv)]	-	-	66.95	-	-	-	66.95
Storage fund for molasses written back during the year [Refer note no. 17(iv)]	-	-	(33.44)	-	-	-	(33.44)
Transfer to/ (from) retained earnings	-	-	-	30000.00	(30626.69)	626.69	-
Interim dividend [Refer note no. 36(18)(b)]	-	-	-	-	(5084.36)	-	(5084.36)
Closing balance as at 31st March, 2023	**1075.58**	**3086.99**	**122.80**	**200000.00**	**83254.73**	**-**	**287540.10**

Consolidated Statement of Changes in Equity for the year ended 31st March, 2023 (contd.)

(b) Other equity (contd.)

(₹ in Lakhs)

Particulars	Reserves and surplus					Other comprehensive income	Total other equity
	Capital reserve	Capital redemption reserve	Storage fund for molasses	General reserve	Retained earnings	Re-measurement of defined benefit plan	
Opening balance as at 1st April, 2021	**3184.58**	**3004.48**	**36.09**	**150000.00**	**103589.63**	**-**	**259814.78**
Changes in equity during the year ended 31st March, 2022							
Profit for the year	-	-	-	-	46463.55	-	46463.55
Other comprehensive income for the year	-	-	-	-	-	(367.02)	(367.02)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**46463.55**	**(367.02)**	**46096.53**
Transfer on account of buy-back of equity shares	-	59.60	-	-	(59.60)	-	-
Utilised on account of buy-back of equity shares	-	-	-	-	(21464.28)	-	(21464.28)
Tax on buy-back of equity shares	-	-	-	-	(4986.76)	-	(4986.76)
Buy-back expenses (net of tax ₹61.26 Lakhs)	-	-	-	-	(114.04)	-	(114.04)
Storage fund for molasses created during the year [Refer note no. 17(iv)]	-	-	53.20	-	-	-	53.20
Transfer to/ (from) retained earnings	(2741.52)	-	-	20000.00	(17625.50)	367.02	-
Deferred tax adjustment on consolidation	632.52	-	-	-	-	-	632.52
Interim dividend [Refer note no. 36(18)(b)]	-	-	-	-	(5101.00)	-	(5101.00)
Closing balance as at 31st March, 2022	**1075.58**	**3064.08**	**89.29**	**170000.00**	**100702.00**	**-**	**274930.95**

Description of nature and purposes of each reserve have been disclosed in Note No. 17.

Accompanying notes 1 to 36 are an integral part of the consolidated financial statements.

As per our report of even date attached
For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

Date: 11th May, 2023

For and on behalf of the Board of Directors

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Consolidated Cash Flow Statement for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
A CASH FLOW FROM OPERATING ACTIVITIES				
Profit before share of profit of associates, exceptional items and tax		39668.14		58797.98
Adjustments to reconcile profit before share of profit of associates, exceptional items and tax to net cash flow provided by operating activities:				
Finance costs	4864.68		3086.89	
Depreciation and amortisation expense	12950.30		11386.49	
Loss on sale/ discard of property, plant and equipment (net)	920.04		744.75	
Sundry debit balances/advances written off	85.52		14.70	
Obsolete store and spares written off	34.99		1.05	
Provision for obsolescence /non-moving store and spares	-		10.58	
Transfer to storage fund for molasses	66.95		53.20	
Interest income on financial assets	(82.96)		(37.85)	
Gain on sale of investments in mutual funds	(282.15)		-	
Fair value gain on investments in mutual funds	(69.10)		-	
Loss/ (Gain) on deemed disposal of investment in an associate	28.79		(2.42)	
Liabilities no longer required written back	(242.75)		(274.62)	
Allowance for impaired receivables written back	-		(97.63)	
Bad debts written off	-		35.27	
Storage fund for molasses written back	(33.44)		-	
		18240.87		14920.41
Operating profit before working capital changes		**57909.01**		**73718.39**
Adjustments to reconcile operating profit to cash flow provided by changes in working capital :				
(Increase) / decrease in inventories	(11852.42)		17783.35	
(Increase) in biological assets	(4.72)		(12.87)	
Decrease in trade receivables	1190.08		10936.32	
(Increase) / decrease in other current /non-current financial assets	(676.70)		9281.92	
(Increase) in other current /non-current assets	(1463.94)		(644.53)	
(Deposit) / withdrawal from escrow account	(0.02)		20.94	
Increase / (decrease) in trade payables	4060.10		(31244.51)	
Increase in other current financial liabilities	3864.75		1950.43	
(Decrease) in other current liabilities	(174.41)		(173.30)	
(Decrease) in provisions	(777.40)		(281.32)	
		(5834.68)		7616.43
Cash generated from operations		**52074.33**		**81334.82**
Tax paid (net)		(6782.77)		(11869.59)
Net cash generated from operating activities (A)		**45291.56**		**69465.23**

Consolidated Cash Flow Statement for the year ended 31st March, 2023 (contd.)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
B CASH FLOW FROM INVESTING ACTIVITIES				
Additions to property, plant and equipment, capital work-in-progress and intangible assets	(85609.24)		(40407.80)	
Sale of property, plant & equipment	1254.05		760.51	
Investment in equity shares of an associate	(1749.64)		-	
Sale of non-current investment in equity shares of an associate (net of transaction costs)	-		7236.88	
Fixed deposits placed with banks	(223.88)		(90.81)	
Fixed deposits redeemed from banks	90.99		32.13	
Dividend received from an associate	-		1491.98	
Gain on sale of investments in mutual funds	282.15		-	
Interest received on debentures/fixed deposits	80.29		38.32	
Net cash (used in) investing activities (B)		**(85875.28)**		**(30938.79)**
C CASH FLOW FROM FINANCING ACTIVITIES				
Payment towards buy-back of equity shares	(8185.14)		(21523.88)	
Payment of tax towards buy-back of equity shares	(1893.47)		(4986.76)	
Buy-back expenses	(114.23)		(175.30)	
Deposit for buy-back of shares (escrow)	(6419.56)		-	
Proceeds from long-term borrowings	32600.00		-	
Proceeds from issue of Non-convertible debentures	14000.00		-	
Transaction costs incurred for issue of Non-convertible debentures	(33.90)		-	
Repayment of long-term borrowings	(10557.62)		(10557.62)	
Proceeds from short-term borrowings (net)	30394.05		6849.14	
Payment of lease liabilities	(9.05)		(8.46)	
Interest paid	(4093.84)		(2965.04)	
Other borrowing costs	(20.35)		(70.01)	
Interim dividend paid	(5084.36)		(5101.00)	
Net cash generated from/ (used in) financing activities (C)		**40582.53**		**(38538.93)**
Net (decrease) in cash and cash equivalents (A+B+C)		**(1.19)**		**(12.49)**
Opening cash and cash equivalents		32.18		44.67
Closing cash and cash equivalents for the purpose of Consolidated Cash Flow Statement		**30.99**		**32.18**

Notes:

1) The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

2) Cash and cash equivalents do not include any amount which is not available to the Company for its use.

Consolidated Cash Flow Statement for the year ended 31st March, 2023 (contd.)

3) Change in Company's liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	Cash flows*	Non-Cash Flows	As at 31st March, 2023
a) Non-current borrowings from banks [Refer note no. 18 (i)]	14419.87	46566.10	(18111.00)	42874.97
b) Current maturities of long term debt [Refer note no. 18 (ii)]	10557.62	(10557.62)	18607.62	18607.62
c) Short term borrowings # [Refer note no. 18 (ii)]	95985.41	30394.05	-	126379.46
d) Interest accrued but not due on borrowings [Refer note no. 20]	377.90	(377.90)	1126.90	1126.90
e) Lease liabilities [Refer note no. 19]	108.35	(16.63)	7.58	99.30
Total	**121449.15**	**66008.00**	**1631.10**	**189088.25**

(₹ in Lakhs)

Particulars	As at 31st March, 2021	Cash flows*	Non-Cash Flows	As at 31st March, 2022
a) Non-current borrowings from banks [Refer note no. 18 (i)]	24227.34	-	(9807.47)	14419.87
b) Current maturities of long term debt [Refer note no. 18 (ii)]	10557.62	(10557.62)	10557.62	10557.62
c) Short term borrowings # [Refer note no. 18 (ii)]	89136.27	6849.14	-	95985.41
d) Interest accrued but not due on borrowings [Refer note no. 20]	326.06	(326.06)	377.90	377.90
e) Lease liabilities [Refer note no. 19]	116.81	(16.63)	8.17	108.35
Total	**124364.10**	**(4051.17)**	**1136.22**	**121449.15**

* Includes cash flows on account of both principal and interest.

Cash flows represents cash flows during the year on net basis.

4) The Company has incurred ₹1194.74 Lakhs (Previous year: ₹1119.67 Lakhs) in cash on account of Corporate Social Responsibility (CSR) expenditure during the year ended 31st March 2023.

5) Cash and cash equivalents as at the Balance Sheet date consists of:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
a) Balance with banks	1.83	2.69
b) Cash on hand	29.16	29.49
Closing cash and cash equivalents (Refer note no. 13)	**30.99**	**32.18**

Accompanying notes 1 to 36 are an integral part of the consolidated financial statements.

As per our report of even date attached
For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Date: 11th May, 2023

1A. Corporate information

The consolidated financial statements comprise financial statements of Balrampur Chini Mills Ltd. ("BCML" or "Company") and its two associates; Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL") [upto the date of cessation] and Auxilo Finserve Pvt. Ltd. ("AFPL").

Balrampur Chini Mills Limited ("BCML" or "Company") having Corporate Identity Number ("CIN") L15421WB1975PLC030118 is a public limited company incorporated under the provisions of the Companies Act, domiciled in India, and has its registered office located at FMC Fortuna, 2nd Floor, 234/ 3A, A. J. C. Bose Road, Kolkata – 700020, West Bengal, India.

The Company's shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

The Company is one of the major integrated sugar manufacturing companies in India. The principal activity of the Company is manufacturing and sale of sugar. Besides this, the allied business activities of the Company primarily consist of manufacturing and sale of ethanol, ethyl alcohol, generation and sale of co-generated power, and manufacturing and sale of agricultural fertilizers.

The Consolidated financial statements for the year ended 31st March, 2023 were approved for issue by the Company's Board of Directors on 11th May, 2023 and are subject to adoption by the shareholders in the ensuing Annual General Meeting.

1B. Basis of preparation

These Consolidated financial statements ("financial statements") have been prepared under Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act (to the extent notified) and presentation requirements of Division II of Schedule III to the Act, as applicable to the Consolidated financial statements under historical cost convention and on an accrual basis, except certain financial instruments and biological assets which are measured in terms of relevant Ind AS at fair value/ cost/ amortised cost.

All Ind AS issued and notified till the Consolidated financial statements are approved for issue by the Board of Directors have been considered in preparing these Consolidated financial statements.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

All the assets and liabilities (other than Deferred tax assets/ liabilities) have been classified as current or non-current as per Company's normal operating cycle, and other criteria set out in Division II of Schedule III to the Act. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified its operating cycle as 12 months for current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are considered non-current.

The items included in the Consolidated financial statements (including notes thereon) are measured using the currency of the primary economic environment in which the Company operates ("the functional currency") and are, therefore, presented in Indian Rupees ("INR" or "Rupees" or "Rs." or "₹"). All amounts disclosed in the Consolidated financial statements, including notes thereon, have been rounded off to the nearest two decimals of Lakhs unless otherwise stated.

1C.Basis of consolidation

The consolidated financial statements have been prepared in accordance with the principles laid down in "Ind AS 110" on "Consolidated Financial Statements" and "Ind AS 28" on "Accounting for Investments in Associates and Joint Ventures".

The Company's investments in its associates are accounted for using the equity method. Under the equity method, the investment in associates is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company's share of net assets of the associate since the acquisition date. If the Company's share of the net fair value of the investee's identifiable assets and liabilities exceeds the cost of the investment, any excess

1C. Basis of consolidation (contd.)

is recognised directly in Equity as capital reserve in the period in which the investment is acquired. Goodwill, if any, relating to the associate is included in the carrying amount of the investment and is not tested for impairment.

The consolidated statement of profit and loss reflects the Company's share of the results of operations of the associates. Any change in other comprehensive income of investee is presented as part of the Company's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associates, the Company recognises its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Company and the associates are eliminated to the extent of the interest in the associates.

If the Company's share of losses of associates equals or exceeds its interest in the associates (which includes any long term interest that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associates. If the associate subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Company's share of profit or loss of associates is shown on the face of the consolidated statement of profit and loss.

The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date, i.e., year ended on 31st March. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each balance sheet date, the Company determines whether there is objective evidence that the investment in the associates is impaired. If there is such evidence, the Company 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/loss of associates' in the consolidated statement of profit and loss.

1D. Recent pronouncements

(i) New and revised standards adopted by the Company

Effective 1st April, 2022, the Company has adopted the amendments vide Companies (Indian Accounting Standards) Amendment Rules, 2022 notifying amendment to existing Indian Accounting Standards.

These amendments to the extent relevant to the Company's operations were relating to :

Ind AS 16 "Property, Plant and Equipment" which clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in profit or loss but deducted from the directly attributable costs considered as part of cost of an item of Property, plant and equipment; and

Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" which specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

There were other amendments in various Indian Accounting Standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations", Ind AS 109 "Financial Instruments", and Ind AS 41 "Agriculture" which have not been listed herein above since these are either not relevant or material to the Company.

Revision in these standards did not have material impact on the profit/ loss and earnings per share for the year.

(ii) Standards issued but not yet effective

On 31st March, 2023, Ministry of Corporate Affairs (MCA) has made certain amendments to existing Indian Accounting Standards vide Companies (Indian Accounting Standards) Amendment Rules, 2023.

These amendments to the extent relevant to the Company's operations include amendment to

1D. Recent pronouncements (contd.)

Ind AS 1 "Presentation of Financial Statements" which requires the entities to disclose their material accounting policies rather than their significant accounting policies,

Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" which has introduced a definition of 'accounting estimates' and include amendments to help entities distinguish changes in accounting policies from changes in accounting estimates.

Further, consequential amendments with respect to the concept of material accounting policies have also been made in Ind AS 107 "Financial Instruments: Disclosures" and Ind AS 34 "Interim Financial Reporting".

There are other amendments in various standards including Ind AS 101 "First-time Adoption of Indian Accounting Standards", Ind AS 103 "Business Combinations, Ind AS 109 "Financial Instruments " Ind AS 115 "Revenue from Contracts with Customers", Ind AS 12 "Income Taxes" which has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences and Ind AS 102 "Share-based Payment" which have not been listed herein above since these are either not material or relevant to the Company.

Even though the company will evaluate the impact of above, these amendments as such are not vital in nature and are not likely to have material impact on the financial statements of the Company.

2. Significant accounting policies

2.1 Operating and Other income

(a) Revenue from operations

Revenue from contracts with customers is accounted for only when it has commercial substance, and all the following criteria are met:

(i) parties to the contract have approved the contract and are committed to performing their respective obligations;

(ii) each party's rights regarding the goods or services to be transferred and payment terms there against can be identified;

(iii) consideration in exchange for the goods or service to be transferred is collectible and determinable.

The revenue is recognized on satisfaction of performance obligation, when control over the goods or services has been transferred and/ or goods/ services are delivered/ provided to the customers. Delivery occurs when the goods have been shipped or delivered to a specific location, and the customer has either accepted the goods under the contract or the Company has sufficient evidence that all the criteria for acceptance have been satisfied.

Revenue is measured at the amount of transaction price (consideration specified in the contract with the customers) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of discounts offered by the Company and excludes amounts collected on behalf of third parties.

(b) Other income

(i) Interest income

For all debt instruments, measured at amortized cost, interest income is recognized using the Effective Interest Rate ("EIR"). Interest income is included in "Other income" in the Statement of Profit and Loss.

(ii) Dividend income

Dividend income is recognized when Company's right to receive the dividend is established, i.e., in the case of interim dividend, on the date of declaration by the Board of Directors; whereas in the case of final dividend, on the date of approval by the shareholders.

2. Significant accounting policies (contd.)

(iii) Insurance claims

Insurance claims are accounted for based on claims admitted/ expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.2 Property, plant and equipment ("PPE") and Capital work-in-progress ("CWIP")

(a) Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, including non-recoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the asset's cost until such time that the asset is ready for its intended use.

(b) Costs incurred subsequent to initial capitalization are included in the assets' carrying amount only when it is probable that future economic benefits will flow to Company and can be measured reliably.

The carrying amount of the replaced part is derecognized. However, the costs of regular servicing of property, plant and equipment are recognized in the Statement of Profit and Loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for provisions are met.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components. Otherwise, these are added to and depreciated over the useful life of the main asset.

The cost and related accumulated depreciation and impairment losses, if any, are eliminated from the Consolidated financial statements upon sale or when no future economic benefits are expected to arise from the use of the asset, and the resultant gains or losses are recognized in the Statement of Profit and Loss.

(c) Property, plant and equipment include leasehold land classified as Right-of-use assets.

(d) Depreciation methods, estimated useful lives and residual value

Depreciation on items of property, plant and equipment commences when the assets are available for their intended use. It is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset specified under Schedule II to the Companies Act, 2013, except in respect of items of "Plant and equipment" and "Vehicles" whose estimated useful lives are determined based on technical assessment and evaluation made by the technical expert to reflect the actual usage of the assets and past history of its replacement.

The estimated useful lives considered are as follows:

Category	As on 31st March, 2023
Buildings	03 - 60 years
Roads	03 - 10 years
Plant and equipment	05 - 25 years
Furniture and fixtures	10 years
Vehicles	05- 10 years
Office equipment	03 - 05 years
Computers	03 - 06 years
Electrical installations and equipment	05 - 10 years
Pipelines	15 years

2. Significant accounting policies (contd.)

The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Each item of property, plant and equipment individually costing ₹5000/- or less is depreciated over one year from the date the said asset is available for use.

The residual values of assets (individually costing more than ₹5000/-) are not more than 5% of the asset's original cost.

The estimated useful lives, residual values, and depreciation method are reviewed at least annually during each financial year-end and adjusted prospectively, wherever appropriate.

(e) Treatment of expenditure during construction period:

Property, plant and equipment that are not ready for intended use on the balance sheet date are disclosed as "Capital work-in-progress". Advances paid towards acquisition/construction of property, plant and equipment outstanding at each balance sheet date are classified as Capital advances under "Other non-current assets".

Directly attributable expenditures (including finance costs relating to borrowed funds for construction or acquisition of property, plant and equipment) incurred on projects under implementation are treated as pre-operative expenses pending allocation to the assets and are shown under "Capital work-in-progress".

2.3 Intangible assets

(a) Intangible assets are measured at cost, less accumulated amortization, and impairment losses, if any.

For this purpose, cost includes deemed cost on the date of transition and acquisition price, license fees, non-refundable taxes and costs of implementation/ system integration services, and any directly attributable expenses, wherever applicable, for bringing the asset to its working condition for the intended use.

Where computer software is not an integral part of a related item of computer hardware, the software is treated as an intangible asset.

(b) Amortization methods estimated useful lives and residual value

Computer software is amortized on a straight-line basis over its estimated useful lives of five years from the date they are available for use.

The estimated useful lives, residual values, and amortization method are reviewed at least annually during each financial year-end and adjusted prospectively, wherever appropriate.

(c) The cost and related accumulated amortization are eliminated from the Consolidated financial statements upon sale or retirement of the asset. And, the resultant gains or losses are recognized in the Statement of Profit and Loss.

2.4 Inventories

(a) Inventories (other than By-products and Scraps) are valued at lower of cost and net realizable value after providing for obsolescence, if any.

Cost of inventory comprises the purchase price, cost of conversion, and other directly attributable costs incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories. The cost of inventories is computed on a weighted average basis.

Net realizable value ("NRV") 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.

(b) By-products and Scraps are valued at net realizable value.

2.5 Biological assets

Biological assets comprise Standing crops (crops under development) of sugarcane.

2. Significant accounting policies (contd.)

The biological process starts with the preparation of land for planting and seedlings and ends with harvesting crops. For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example, seedlings planted immediately before the balance sheet date), assets are measured at cost, i.e., the total expenses incurred on such plantation up to the balance sheet date. When harvested, depending upon the biological process stage, the cane is transferred to inventory at cost or at a fair value less cost to sell.

2.6 Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received, and the Company will comply with all the conditions attached to them.

Government grants related to property, plant and equipment, including non-monetary grants, are presented in the Balance sheet by deducting the grant from the asset's carrying amount.

Government grants of revenue in nature are recognized on a systematic basis in the Statement of Profit and Loss over the period necessary to match them with the related costs and are adjusted with the related expenditure. If not related to a specific expenditure, it is considered income and included under "Other operating revenue" or "Other income", as applicable.

The benefits of a government loan at a below-market rate of interest or loan with interest subvention are treated as government grants. The loan or assistance is initially recognized at fair value. The government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognized on a systematic basis in the Statement of Profit and Loss. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

2.7 Borrowing costs

Borrowing costs, general or specific that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.8 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

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

Right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Leasehold land classified as Right-of-use assets is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

2. Significant accounting policies (contd.)

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

2.9 Provisions, contingent liabilities, and contingent assets

(a) A provision is recognized if, as a result of a past event, Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognized for future operating losses.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as of the balance sheet date, considering the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset. Accordingly, the expense relating to the provision is presented in the Statement of Profit and Loss, net of any reimbursement.

(b) Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(c) Contingent asset is not recognized in the Consolidated financial statements; however, is disclosed where an inflow of economic benefits is probable.

(d) Provisions, Contingent liabilities, and Contingent assets are reviewed at each balance sheet date.

2.10 Dividend payable

The final dividend on equity shares is recorded as a liability on the date of approval by the shareholders. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Accordingly, a corresponding amount is recognized directly in Equity.

2.11 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding on the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Any income or expense arising on foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

Non-monetary items carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

2.12 Employee benefits

(a) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits, are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered.

(b) Defined contribution plans

The Company pays provident and other fund contributions to publicly administered funds as per related Government regulations.

The Company has no further obligation other than the contributions payable to the respective funds. The Company recognizes contribution payable to such funds as an expense when an employee renders the related service.

2. Significant accounting policies (contd.)

(c) Defined benefit plans

The Company operates a defined benefit gratuity plan, and the contribution towards it is made to "The Balrampur Sugar Company Limited Employees Gratuity Fund" ("the Trust"). Trustees administer contributions made to the Trust, which are invested through insurance companies.

The liability or asset recognized in the Balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated by external actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in Other comprehensive income in the period they occur and are subsequently transferred to Retained earnings.

(d) Compensated absences

The employees of the Company are entitled to compensated absences that are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using the projected unit credit method for the unused entitlement accumulated at the balance sheet date.

The benefits are discounted using the market yields at the end of the balance sheet date that has terms approximating the terms of the related obligation. Re-measurements resulting from experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

2.13 Financial instruments

Financial assets and financial liabilities are recognized in the Balance sheet when the Company becomes a party to the contractual provisions of financial instruments. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

The Company categorizes financial assets and financial liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

(i) Level 1: Quoted prices (unadjusted) in active markets for identical financial assets or financial liabilities that the Company can access at the measurement date.

(ii) Level 2: Inputs other than quoted prices included within level 1 observable for the financial asset or financial liability, either directly or indirectly.

(iii) Level 3: Unobservable inputs for the financial asset or financial liability.

A. Financial assets

I. Initial recognition and measurement

The financial assets include investments, trade receivables, loans and advances, cash and cash equivalents, bank balances other than cash and cash equivalents, derivative financial instruments, and other financial assets.

Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

II. Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

(i) at amortized cost,

(ii) at fair value through other comprehensive income (FVTOCI), and

2. Significant accounting policies (contd.)

(iii) at fair value through profit or loss (FVTPL).

(a) Financial assets at amortized cost

A 'financial asset' is measured at the amortized cost if the following two conditions are met:

(i) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortized cost is determined using the Effective Interest Rate ("EIR") method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

(b) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held both for collection of contractual cash flows and for selling the financial assets, and contractual terms of the financial assets give rise to cash flows representing solely payments of principal and interest.

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

Financial assets that are not classified in any of the categories above are classified at fair value through profit or loss.

(d) Equity investments

Equity investments in the scope of Ind AS 109 are measured at fair value except for investments in associates, which are carried at cost.

The Company makes an election to present changes in fair value either through other comprehensive income or through profit or loss on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument are recognized in other comprehensive income.However, dividends on equity instruments on FVTOCI is recognised in profit or loss. In addition, profit or loss arising on sale is also taken to other comprehensive income. The amount accumulated in this respect is transferred within the Equity on derecognition.

III. De-recognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

B. Financial liabilities

I. Initial recognition and measurement

The financial liabilities include trade and other payables, loans and borrowings, including book overdrafts, derivative financial instruments, etc.

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

II. Subsequent measurement

For subsequent measurement, financial liabilities are classified into two categories:

(i) Financial liabilities at amortized cost, and

(ii) Derivative instruments at fair value through profit or loss (FVTPL).

2. Significant accounting policies (contd.)

Financial liabilities at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the EIR method. When the financial liabilities are derecognized, gains and losses are recognized in profit or loss. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

III. De-recognition

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

C. Derivative financial instruments

Initial recognition and subsequent measurement

A derivative financial instrument, such as foreign exchange forward contracts, is used to hedge foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date 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.

D. Offsetting of financial instruments

Financial assets and financial liabilities, including derivative financial instruments, are offset, and the net amount is reported in the Balance sheet if there is currently an enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

E. Equity share capital

Ordinary shares are classified as Equity.

An equity instrument is a contract that evidences a residual interest in the Company's assets after deducting all its liabilities.

Incremental costs directly attributable to the issuance of new equity shares and buy-back of equity shares are shown as a deduction from the Equity net of any tax effects.

2.14 Impairment of Assets

(a) Non-financial assets

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, less costs of disposal, and its value in use.

To assess impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

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.

If, at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed so that the asset is recognized at its recoverable amount but not exceeding the value which would have been reported in this respect if the impairment loss had not been recognized.

(b) Financial assets

The Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for financial assets measured at amortized cost.

The Company recognizes lifetime expected credit losses for trade receivables. Loss allowance equal to the lifetime expected credit losses are recognized if the credit risk of the financial asset has significantly increased since initial recognition.

2. Significant accounting policies (contd.)

2.15 Taxes

Income tax expense comprises current tax and deferred tax. It is recognized in the profit or loss except to the extent it relates to items directly recognized in Equity or Other comprehensive income (OCI).

(a) Current tax

Current tax assets and liabilities for the current and earlier periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws enacted or substantively enacted by the balance sheet date and applicable for the period.

In correlation to the underlying transaction relating to Other comprehensive income and Equity, current tax items are recognized in Other comprehensive income and Equity, respectively.

Management periodically evaluates positions taken in the tax returns to situations in which applicable tax regulations are subject to interpretation. Then, full provisions are made where appropriate based on the amount expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

(b) Deferred tax

Deferred tax assets and liabilities are recognized for the deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes at the balance sheet date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits (MAT), and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits, and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 utilized.

Deferred tax items in correlation to the underlying transaction relating to Other comprehensive income and Equity are recognized in Other comprehensive income and Equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Minimum Alternate Tax (MAT)

Deferred tax assets include Minimum Alternative Tax (MAT) paid under the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future income tax liability.

Accordingly, MAT is recognized as a deferred tax asset in the Balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realized.

2.16 Earnings per Share

(a) Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of outstanding equity shares.

2. Significant accounting policies (contd.)

(b) Diluted earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares that could be issued on the conversion of all dilutive potential equity shares.

2.17 Segment reporting

Operating segments are identified and reported considering the different risks and return organizational structure and internal reporting systems to the Chief Operating Decision Maker (CODM).

2.18 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks, and short-term highly liquid investments with an original maturity of three months or less and carry an insignificant risk of changes in value.

For reporting Consolidated cash flow statement, cash and cash equivalents consist of cash on hand, cheques on hand, balance with banks, and short term highly liquid investments, as stated above, net of outstanding book overdrafts, as they are considered an integral part of the Company's cash management.

2.19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing flows. Accordingly, the Company's cash flows from operating, investing, and financing activities are segregated.

2.20 Exceptional items

Exceptional items include income or expenses that are part of ordinary activities. However, they are of such significance and nature that separate disclosure enables the user of financial statements to understand the impact more clearly. These items are identified by their size or nature to facilitate comparison with prior periods and assess underlying trends in the Company's financial performance.

3. Use of critical estimates, judgements and assumptions

The preparation of the Consolidated financial statements in conformity with the measurement principle under Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent assets and liabilities.

The estimates, judgements and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected.

The application of accounting policies that require critical judgements and accounting estimates involving complex and subjective judgements and the use of assumptions in these Consolidated financial statements have been disclosed herein below.

(i) Estimated useful life of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual value of the asset are determined by the management when the asset is acquired and reviewed at-least annually during each financial year end. The lives are based on technical evaluation, technological obsolesces and historical experience with similar assets as well as anticipation of future events, which may impact their lives. This re-assessment may result in a change in depreciation and amortization expense in future periods.

3. Use of critical estimates, judgements and assumptions (contd.)

(ii) Current taxes and deferred taxes

Significant judgement is required in the determination of the taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes and option to be exercised for application of reduced rates of taxation on possible cessation of tax deduction and exhaustion of MAT credit entitlement in future years based on estimates of future taxable profits.

Deferred tax assets are recognized for unused losses (carry forward of earlier years' losses) and unused tax credit to the extent that taxable profit would probably be available against which the losses and tax credit could be utilized. Significant 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 together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each balance sheet date with consequential change being given effect to in the year of determination.

(iii) Retirement benefit obligations

The Company's retirement benefit obligations, cost of the defined benefit gratuity plan and the present value of the gratuity obligation 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, inflation, future salary increments 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-least annually during each financial year end.

(iv) Fair value measurements of financial instruments

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets are determined using valuation techniques including the Discounted Cash Flow (DCF) model. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions at regular intervals.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(v) Provisions, Contingent liabilities and Contingent assets

The timing of recognition and quantification of the provisions, contingent liabilities and contingent assets require the application of judgement to existing facts and circumstances which are subject to change on the actual occurrence or happening. Judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claims/ litigations against the Company and possible inflow of resources in respect of the claims made by the Company which has been considered to be contingent in nature. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 4 - Property, plant and equipment and Capital work-in-progress

(₹ in Lakhs)

Particulars	Property, plant and equipment												Capital work-in- progress @
	Land (Free hold)	Land (Right-of-use)	Buildings	Roads	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Electrical installation and equipment	Pipelines	Total	
Gross block													
Gross carrying amount as at the beginning of 1st April, 2022	7631.91	584.67	46808.50	2804.72	139172.84	1499.02	2046.95	385.00	1251.77	18086.53	12719.31	232991.22	20430.05
Additions during the year	6219.06	-	13695.24	4382.15	65994.35	507.59	736.58	122.92	253.42	11032.01	8665.90	111609.22	85725.67
Disposals/deductions during the year	-	-	197.39	1.98	3160.26	14.83	347.97	13.26	63.93	382.01	89.53	4271.16	103726.84
Gross carrying amount as at the end of 31st March, 2023	13850.97	584.67	60306.35	7184.89	202006.93	1991.78	2435.56	494.66	1441.26	28736.53	21295.68	340329.28	2428.88
Depreciation													
Accumulated depreciation as at the beginning of 1st April, 2022	-	89.50	9518.38	1716.50	41310.09	660.56	998.33	192.23	804.79	8931.02	5502.45	69723.85	-
Depreciation for the year	-	29.21	1718.47	330.50	7815.42	163.00	374.18	65.96	183.21	1433.72	798.96	12912.63	-
Disposals/deductions during the year	-	-	84.22	0.85	1319.17	11.64	307.70	11.63	56.88	226.11	79.38	2097.58	-
Accumulated depreciation as at the end of 31st March, 2023	-	118.71	11152.63	2046.15	47806.34	811.92	1064.81	246.56	931.12	10138.63	6222.03	80538.90	-
Net carrying amount as at the end of 31st March, 2023	13850.97	465.96	49153.72	5138.74	154200.59	1179.86	1370.75	248.10	510.14	18597.90	15073.65	259790.38	2428.88
Gross block													
Gross carrying amount as at the beginning of 1st April, 2021	6604.67	584.67	44730.05	2636.73	133079.42	1213.72	1826.24	266.55	1038.76	15625.62	11774.16	219380.59	1447.90
Additions during the year	1034.27	-	2159.52	168.03	8311.16	305.63	459.80	132.61	239.43	2566.28	972.10	16348.83	33092.62
Disposals/deductions during the year	7.03	-	81.07	0.04	2217.74	20.33	239.09	14.16	26.42	105.37	26.95	2738.20	14110.47
Gross carrying amount as at the end of 31st March, 2022	7631.91	584.67	46808.50	2804.72	139172.84	1499.02	2046.95	385.00	1251.77	18086.53	12719.31	232991.22	20430.05
Depreciation													
Accumulated depreciation as at the beginning of 1st April, 2021	-	60.32	7971.02	1487.45	35126.73	542.42	882.56	146.63	679.95	8006.81	4701.30	59605.19	-
Depreciation for the year	-	29.18	1600.32	229.05	7043.22	130.39	310.92	58.19	147.59	989.47	813.27	11351.60	-
Disposals/deductions during the year	-	-	52.96	-	859.86	12.25	195.15	12.59	22.75	65.26	12.12	1232.94	-
Accumulated depreciation as at the end of 31st March, 2022	-	89.50	9518.38	1716.50	41310.09	660.56	998.33	192.23	804.79	8931.02	5502.45	69723.85	-
Net carrying amount as at the end of 31st March, 2022	7631.91	495.17	37290.12	1088.22	97862.75	838.46	1048.62	192.77	446.98	9155.51	7216.86	163267.37	20430.05

@ Refer note no. 4A

Footnotes:

a) Depreciation capitalised and transferred to Capital work in progress ₹0.45 Lakhs (Previous year: ₹4.56 Lakhs) - Refer note no. 4A.

b) The finance costs on borrowings capitalised during the year amounted to ₹216.87 Lakhs (Previous year: ₹ Nil) using the capitalisation rate of 3.68% (Previous year: Nil %) per annum which is the effective interest rate on such borrowings. [Refer note no. 36(8) for other disclosures]

c) The Company has availed loans from banks against security of the fixed assets (i.e. property, plant and equipment) as referred in Note No. 18.

d) Buildings include ₹1.66 Lakhs (Previous year: ₹1.66 Lakhs) being cost of 79833 (Previous year: 79833) equity shares of Fortuna Services Ltd.

e) For capital commitment with regards to property plant and equipment, Refer note no. 36(1)(b)

Note No. : 4 A - Capital work-in-progress

(₹ in Lakhs)

Particulars		As at 31s March, 2023		As at 31st March, 2022	
Building, plant and equipment , electrical installations etc.					
Additions during the year			84546.12		32453.52
	(A)		**84546.12**		**32453.52**
Preoperative and trial run expenses					
Additions during the year :					
Cost of materials consumed			209.72		28.05
Employee benefits expense					
Salaries and wages		188.99		108.42	
Contribution to provident and other funds		17.35		9.53	
Staff welfare expense		2.80	209.14	1.56	119.51
Finance costs [Refer note no. 4(b)]					
Interest		216.59		-	
Other borrowing cost		0.28	216.87	-	-
Depreciation and amortisation expense			0.45		4.56
Other expenses					
Consumption of stores					
Other than process chemicals		0.71		2.41	
Power and fuel		120.31		200.63	
Rent		-		19.49	
Insurance		8.29		0.86	
Rates and taxes (excluding taxes on income)		38.11		8.10	
Professional expenses		201.30		170.91	
Miscellaneous expenses		174.65	543.37	84.58	486.98
	(B)		**1179.55**		**639.10**
Total additions during the year	**C= (A+B)**		**85725.67**		**33092.62**
Balance brought forward					
Building, plant and equipment, electrical installations etc.	(D)		20430.05		1447.90
	E = (C+D)		**106155.72**		**34540.52**
Capitalised during the year	(F)		103726.84		14110.47
Capital work-in-progress at the end of the year	G= (E-F)		**2428.88**		**20430.05**

Footnote

The Company has commenced commercial production of industrial alcohol in its new distillery at Maizapur Unit with a capacity of 320 KLPD and additional capacity of 170 KLPD at Balrampur Unit on 16th November, 2022 and 19th December, 2022 respectively, taking the total distillation capacity of the Company to 1050 KLPD.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 4 A - Capital work-in-progress (contd.)

Capital work-in-progress ageing schedule:

As at the end of 31st March, 2023

(₹ in Lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (includes goods in transit)	2283.19	145.69			2428.88
Projects temporarily suspended	-	-	-	-	-
Total	**2283.19**	**145.69**	**-**	**-**	**2428.88**

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (includes goods in transit)	20360.16	69.89			20430.05
Projects temporarily suspended	-	-	-	-	-
Total	**20360.16**	**69.89**	**-**	**-**	**20430.05**

Note No. : 5 - Intangible assets

(₹ in Lakhs)

Particulars	Computer software
Gross block	
Gross carrying amount as at the beginning of 1st April, 2022	638.39
Additions during the year	10.11
Disposals/deductions during the year	34.96
Gross carrying amount as at the end of 31st March, 2023	**613.54**
Amortisation	
Accumulated amortisation as at the beginning of 1st April, 2022	541.13
Amortisation for the year	38.12
Disposals/deductions during the year	34.45
Accumulated amortisation as at the end of 31st March, 2023	**544.80**
Net carrying amount as at the end of 31st March, 2023	**68.74**
Gross block	
Gross carrying amount as at the beginning of 1st April, 2021	585.49
Additions during the year	53.76
Disposals/deductions during the year	0.86
Gross carrying amount as at the end of 31st March, 2022	**638.39**
Amortisation	
Accumulated amortisation as at the beginning of 1st April, 2021	502.54
Amortisation for the year	39.45
Disposals/deductions during the year	0.86
Accumulated amortisation as at the end of 31st March, 2022	**541.13**
Net carrying amount as at the end of 31st March, 2022	**97.26**

Note No. : 6 (i) - Investment in associate accounted for using the equity method

(a) Break-up of investment in associate (Non-current)

(₹ in Lakhs)

Particulars	Face value	Number of shares	As at 31st March, 2023	Number of shares	As at 31st March, 2022
Investment in equity instruments					
Fully paid up :					
Unquoted					
Investment in associate					
Auxilo Finserve Pvt. Ltd. ("AFPL")	₹10	165292000	20134.62	155000000	17256.12
[Refer note no. 36(15)]					
			20134.62		**17256.12**
Aggregate amount of quoted investments			Not applicable		Not applicable
Aggregate market value of quoted investments			Not applicable		Not applicable
Aggregate amount of unquoted investments			20134.62		17256.12
Aggregate amount of impairment in value of investments			-		-

(b) Details of the associate

The Company's interest in associates is accounted for using the equity method in the consolidated financial statements

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Company	
			As at 31st March, 2023	As at 31st March, 2022
Auxilo Finserve Pvt. Ltd.	Financing activities in education sector in India	Mumbai	43.93%	44.36%

Summarised Financial Information of associates

(₹ in Lakhs)

Particulars	AFPL	
	As at 31st March, 2023	As at 31st March, 2022
Financial Assets	192735.58	85187.79
Non Financial Assets	2674.25	1090.24
Financial Liabilities	149093.64	47069.18
Non-Financial Liabilities	482.34	305.21
Net Assets for the purpose of consolidation	**45833.85**	**38903.64**

Note No. : 6 (i) - Investment in associate accounted for using the equity method (contd.)

Summarised Performance of associates

(₹ in Lakhs)

Particulars	AFPL		VPSPPL #
	Year ended 31st March, 2023	Year ended 31st March, 2022	Period ended 15th February, 2022
Revenue	17826.10	8719.23	4592.02
Profit before tax	3469.95	1504.70	2206.84
Tax expenses	895.21	247.91	874.75
Profit after tax	2574.74	1256.79	1332.09
Other comprehensive income - (net of tax)	(12.80)	(13.93)	(1.01)
Total comprehensive income	2561.94	1242.86	1331.09
Company's proportionate share of profit for the year/ period*	1163.33	557.47	597.57
Company's proportionate share of Other comprehensive income for the year/period	(5.68)	(6.18)	(0.45)

Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL") [Refer note no. 36(14)].

* net of expenses and tax paid on buy back of shares and adjustment pertaining to employee stock options.

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognised in the consolidated financial statements:

(₹ in Lakhs)

Particulars	AFPL	
	As at 31st March, 2023	As at 31st March, 2022
Net assets of the associate	45833.85	38903.64
Proportion of the Company's ownership interest	43.93%	44.36%
Company's share of net assets	**20134.62**	**17256.12**

Note No. : 6 (ii) - Other Investment (Current)

(₹ in Lakhs)

Particulars	Number of units	As at 31st March, 2023	Number of units	As at 31st March, 2022
Measured at fair value through profit or loss				
Investment in mutual funds				
Unquoted				
Kotak Overnight Fund Direct - Growth *	512217.348	6125.06	-	-
		6125.06		-
Aggregate amount of quoted investments		Not applicable		Not applicable
Aggregate market value of quoted investments		Not applicable		Not applicable
Aggregate amount of unquoted investment		6125.06		-
Aggregate amount of impairment in value of investments		-		-
Aggregate amount of investment measured at fair value through profit or loss		6125.06		-

* Investments earmarked for buy-back of equity shares

Note No. : 7 - Other financial assets (carried at amortised cost)

(i) Non-current (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security deposits	116.87	92.11
Fixed deposits with banks		
(With more than 12 months maturity)		
With excise authorities (Pledged)	175.19	106.20
Interest accrued but not due on		
Fixed deposits with banks	7.14	6.35
	299.20	**204.66**

(ii) Current (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Advance to employees		222.57		183.93
Claims receivable *		700.17		86.87
Interest accrued but not due on				
Fixed deposits with banks	4.97		2.52	
Other deposits	0.88	5.85	1.45	3.97
		928.59		**274.77**

* Includes claim for interest subvention [Refer note no. 36(8)]

Note No. : 8 - Non-current tax assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance tax	64019.12	57085.28
Less : Provision for taxation	62851.38	55942.94
	1167.74	**1142.34**

Note No. : 9 - Other non-current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Capital advances		828.87		8295.99
Advances other than capital advances				
Other advances				
Advances to suppliers and others Considered doubtful	9.31		9.31	
Less: Allowance for bad and doubtful advances	9.31	-	9.31	-
Others				
Prepaid expenses	276.50		240.12	
Duties and taxes paid under protest	83.12	359.62	607.09	847.21
		1188.49		**9143.20**

Note No. : 10 - Inventories

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Raw materials	20079.89		10290.63	
Add : Goods-in-transit	48.38	20128.27	73.45	10364.08
Packing materials		524.04		324.23
Work-in-progress				
Sugar and syrup	3127.58		2791.64	
By-products	621.45	3749.03	371.08	3162.72
Finished goods				
Sugar	169384.98		179471.85	
Industrial alcohol	9132.40		945.53	
Banked power	243.74		246.11	
Others	70.59		46.16	
	178831.71		180709.65	
Add : Goods-in-transit	2414.56	181246.27	616.46	181326.11
Stores and spares	7892.99		7000.49	
Add : Goods-in-transit	244.24		170.35	
	8137.23		7170.84	
Less: Provision for obsolescence/ non-moving stores and spares [Refer note no. 33]	10.58	8126.65	10.58	7160.26
Loose tools		0.16		0.16
By-products		17956.48		17659.00
Scrap		137.26		54.17
		231868.16		**220050.73**
Footnotes:				
(i) Carrying amount of inventories pledged as security for borrowings (Refer note no. 18 for charge created/ security terms against borrowings)		196509.59		205422.25
(ii) Amount of write-down of inventories recognised as expense		459.52		1144.79
(iii) Refer note no. 2.4 for mode of valuation				

Note No. : 11 - Biological assets

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Reconciliation of changes in book value of biological assets:		
Opening balance	18.95	6.08
Additions during the year	44.69	40.81
Decrease due to harvested sugarcane transferred to inventory *	39.97	27.94
Closing balance	**23.67**	**18.95**

* Includes sugarcane captively consumed

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 12 - Trade receivables (carried at amortised cost)

Current (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade receivables	12482.31	13672.39
	12482.31	**13672.39**

Trade receivables ageing schedule

As at the end of 31st March, 2023

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	10948.90	1533.29	0.12	-	-	-	12482.31
Total	**10948.90**	**1533.29**	**0.12**	**-**	**-**	**-**	**12482.31**

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	8948.69	4713.15	10.55	-	-	-	13672.39
Total	**8948.69**	**4713.15**	**10.55**	**-**	**-**	**-**	**13672.39**

Other information

(i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Details relating to the Company's credit risk management have been given in Note No. 36(17)(b).

Note No. : 13 - Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks	1.83	2.69
Cash on hand	29.16	29.49
	30.99	**32.18**

Note No. : 14 - Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Earmarked balances		
Fixed Deposit for buy-back		
Original maturity period less than 3 months	363.60	-
Fixed deposits for molasses storage fund	140.80	104.68
Unpaid dividend accounts *	611.98	176.39
Other bank balances **	9.18	9.16
Fixed deposits pledged with excise authorities	32.95	5.17
	1158.51	**295.40**
* Includes tax deducted at source on interim dividend not yet due as on the balance sheet date and deposited subsequently	422.29	-
** Balances in subsidy accounts and escrow accounts for cane payment		

Note No. : 15 - Other current assets (Unsecured, considered good unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Advances other than capital advances				
Other advances				
Advances to suppliers and others	2709.17		1557.20	
Income tax refundable	68.61		85.82	
GST and other taxes/ duties	993.76	3771.54	633.65	2276.67
Others				
Prepaid expenses	1359.32		1005.40	
Miscellaneous	25.42	1384.74	25.41	1030.81
		5156.28		**3307.48**

Note No. : 16 - Share capital

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number of Shares	(₹ in Lakhs)	Number of Shares	(₹ in Lakhs)
(a) Authorised				
Equity shares of ₹1/- each	400000000	4000.00	400000000	4000.00
Preference shares of ₹100/- each	2500000	2500.00	2500000	2500.00
		6500.00		**6500.00**
(b) Issued, subscribed and fully paid up				
Equity shares of ₹1/- each	201749245	2017.49	204040000	2040.40
		2017.49		**2040.40**

Issue of 16910 (Previous year: 16910) equity shares on Right basis has been kept in abeyance in view of pending disputes.

Note No. : 16 - Share capital (contd.)

(c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the year	204040000	2040.40	210000000	2100.00
Less: Buy-back of shares [Refer note no. 36(4)(a)]	2290755	22.91	5960000	59.60
At the end of the year	**201749245**	**2017.49**	**204040000**	**2040.40**

(d) The Company has only one class of equity shares. The Company declares and pays dividend in Indian rupees. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

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 dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shareholders holding more than 5% of the equity shares in the Company :

Name of the shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares held	% of holding	No. of shares held	% of holding
Mr. Shri Vivek Saraogi	41158544	20.40	41158544	20.17
Ms. Sumedha Saraogi	22043079	10.93	22043079	10.80

(f) Details of shares held by promoters:

As at 31st March, 2023

Sl. No.	Name of the Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares*	% change during the year
1	Mr. Vivek Saraogi	41158544	-	41158544	20.40	0.23
2	Ms. Sumedha Saraogi	22043079	-	22043079	10.93	0.13
3	Ms. Stuti Dhanuka	4284531	-	4284531	2.12	0.02
4	Ms. Avantika Saraogi	3187007	-	3187007	1.58	0.01
5	Vivek Saraogi (HUF)	147482	-	147482	0.07	-
6	Novel Suppliers Pvt. Ltd.	3551444	-	3551444	1.76	0.02
7	Udaipur Cotton Mills Co. Ltd.	5689433	-	5689433	2.82	0.03
8	Meenakshi Mercantiles Ltd.	6484233	-	6484233	3.21	0.03
	Total	**86545753**	**-**	**86545753**	**42.90**	**0.48**

* Aggregate of % of total shares held by promoters considered as 42.90% due to rounding off

Footnotes:

The percentage of Shareholding changed due to the extinguishment of the equity shares bought back till 31st March, 2023 pursuant to the Buyback approved at the meeting of the Board of Directors held on 9th November, 2022.

Note No. : 16 - Share capital (contd.)

As at 31st March, 2022

Sl. No.	Name of the Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares*	% change during the year
1	Mr. Vivek Saraogi	34339303	6819241	41158544	20.17	3.82
2	Ms. Sumedha Saraogi	22043079	-	22043079	10.80	0.30
3	Ms. Stuti Dhanuka	4284531	-	4284531	2.10	0.06
4	Ms. Avantika Saraogi	3187007	-	3187007	1.57	0.06
5	Kamal Nayan Saraogi (HUF)	6819241	(6819241)	-	-	(3.25)
6	Vivek Saraogi (HUF)	147482	-	147482	0.07	-
7	Novel Suppliers Pvt. Ltd.	3551444	-	3551444	1.74	0.05
8	Udaipur Cotton Mills Co. Ltd.	5689433	-	5689433	2.79	0.08
9	Meenakshi Mercantiles Ltd.	6484233	-	6484233	3.18	0.09
	Total	**86545753**	**-**	**86545753**	**42.42**	**1.21**

Footnote:

(i) During the year ended 31st March, 2022, the shares held by Kamal Nayan Saraogi (HUF) have been transferred to Mr.Vivek Saraogi owing to dissolution of Kamal Nayan Saraogi (HUF).

(ii) Apart from the aforesaid, the percentage of Shareholding changed due to the extinguishment of the equity shares bought back pursuant to the Buyback approved at the meeting of the Board of Directors held on 9th August, 2021.

(g) The aggregate number of equity shares bought back in immediately preceding last five years ended 31st March, 2023 - 26689082 equity shares (previous period of five years ended 31st March, 2022 - 30998327 equity shares).

Note No. : 17 - Other equity

(₹ in Lakhs)

Particulars	As at 31st March, 2023			As at 31st March, 2022		
A. Reserves and surplus						
(a) Capital reserve						
Balance as per last account		1075.58			3184.58	
Less: Consolidation adjustment						
Transfer to retained earnings	-			2741.52		
Less: Deferred tax adjustment	-	-	1075.58	632.52	2109.00	1075.58
(b) Capital redemption reserve						
Balance as per last account		3064.08			3004.48	
Add: Transfer from retained earnings [Refer note no. 36(4)(a)]		22.91	3086.99		59.60	3064.08
(c) Storage fund for molasses						
Balance as per last account		89.29			36.09	
Add: Created during the year		66.95			53.20	
Less: Written back during the year		33.44	122.80		-	89.29
(d) General reserve						
Balance as per last account		170000.00			150000.00	
Add: Transfer from retained earnings		30000.00	200000.00		20000.00	170000.00

Note No. : 17 - Other equity (contd.)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
(e) Retained earnings				
Balance as per last account	100702.00		103589.63	
Add: Profit for the year	28416.70		46463.55	
Add: Transfer from other comprehensive income	(626.69)		(367.02)	
Add: Transfer from capital reserve	-		2741.52	
Less: Transfer to capital redemption reserve	22.91		59.60	
Less: Transfer to General reserve	30000.00		20000.00	
Less :Utilised on buy-back of equity shares [Refer note no. 36(4)(a)]	8162.23		21464.28	
Less: Tax on buy-back of equity shares [Refer note no. 36(4)(a)]	1893.47		4986.76	
Less: Buyback expenses [net of tax ₹39.92 Lakhs (Previous year ₹61.26 Lakhs) Refer note no. 36(4)(a)]	74.31		114.04	
	88339.09		105803.00	
Less: Interim dividend paid during the year [Refer note no. 36(18)(b)]	5084.36	83254.73	5101.00	100702.00
(A)		**287540.10**		**274930.95**
B. Other comprehensive income				
Balance as per last account	-		-	
Add: Other comprehensive income for the year	(626.69)		(367.02)	
Less: Transfer to retained earnings	(626.69)	-	(367.02)	-
(B)		-		-
C = (A + B)		**287540.10**		**274930.95**

Footnotes:

i) Capital reserve comprise of reserve arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant schemes sanctioned by the Court.

ii) Capital redemption reserve have been created consequent to redemption of preference shares and buy back of equity shares. This reserve shall be utilised in accordance with the provisions of the Act.

iii) The general reserve represents amount transferred out of the profits of the Company and reserve aggregating to ₹4224.23 Lakhs (Previous year ₹4224.23 Lakhs) arising consequent to business combination in earlier years, in accordance with applicable accounting standard and in terms of the relevant schemes sanctioned by the Court. It is not earmarked for any specific purpose.

iv) The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974. During the year ended 31st March, 2023, ₹33.44 Lakhs was utilised from the fund and credited to the Statement of Profit and Loss. The said storage fund is represented by investment in the form of fixed deposits with banks amounting to ₹140.80 Lakhs (Previous year: ₹104.68 Lakhs).

v) Retained earnings represents the undistributed profit/ amount of accumulated earnings of the Company.

vi) Other comprehensive income (OCI) represents the balance related to re-measurement gains and losses resulting from experience adjustments and changes in actuarial assumptions. These gains and losses are recognised directly in OCI during the period in which they occur and are subsequently transferred to Retained earnings.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 18 - Borrowings (carried at amortised cost)

(i) Non-current

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Debentures		
Senior, Unlisted, Rated, Redeemable, Non-convertible		
Secured [Refer Footnote (a)(i) below]	13967.59	-
Term loans		
From banks		
Secured		
Rupee loans:		
HDFC Bank Ltd. (HDFC) [Refer footnote (a)(ii) and (iii) below]	12554.50	3510.50
ICICI Bank Ltd. (ICICI) [Refer footnote (a)(iv) below]	1250.00	2500.00
State Bank of India (SBI) [Refer footnote (a)(v) below]	13500.00	-
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh) [Refer footnote (a)(vi) below]	1602.88	8409.37
	42874.97	**14419.87**

a) **Nature of securities for the aforesaid borrowings including current maturities of long term debt [Refer note no. 18(ii)] and deferred income [Refer note no. 21]:**

i) Senior, Unlisted, Rated, Redeemable, Non-convertible Debentures subscribed by debenture holder amounting to ₹14000.00 Lakhs (Previous year:₹ Nil) is secured by first exclusive charge, by way of hypothecation of movable fixed assets (PPE), both present and future, pertaining to two sugar units of the Company viz. Balrampur and Babhnan.

ii) Rupee Term Loan from HDFC amounting to ₹13600.00 Lakhs (Previous year:₹ Nil) under the Scheme for Extending Financial Assistance to project proponents for enhancement of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Balrampur distillery unit of the Company.

iii) Rupee Term Loan from HDFC amounting to ₹3510.50 Lakhs (Previous year: ₹5516.50 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Gularia distillery unit of the Company.

iv) Rupee Term Loan from ICICI amounting to ₹2500.00 Lakhs (Previous year: ₹3750.00 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity, is secured by pari passu first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Gularia distillery unit of the Company.

v) Rupee Term Loan from SBI amounting to ₹19000.00 Lakhs (Previous year:₹ Nil) under the Scheme for Extending Financial Assistance to project proponents for enhancement of ethanol capacity, is secured by first charge, by way of hypothecation of all the movable fixed assets (PPE), both present and future, pertaining to Maizapur distillery unit of the Company.

vi) Rupee Term Loan from ICICI (Acting as an agent on behalf of Government of Uttar Pradesh) amounting to ₹8807.36 Lakhs (Previous year: ₹16428.65 Lakhs) under the Scheme for Extending Financial Assistance to Sugar Undertakings, 2018, of Uttar Pradesh Government is secured by pari passu first charge, by way of hypothecation of movable fixed assets (PPE), both present and future, pertaining to seven cogen units of the Company viz. Balrampur, Babhnan, Haidergarh, Akbarpur, Mankapur, Kumbhi and Gularia.

Note No. : 18 (i) - Borrowings (carried at amortised cost) (contd.)

b) Terms of Repayment:

Lender of Loan	Rate of Interest (ROI) (%)	Amount outstanding as at 31st March, 2023		Amount outstanding as at 31st March, 2022		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2023	Number of instalments outstanding as at 31st March, 2023	Amount of each instalment (₹ in Lakhs)	Details of security offered
		Current (₹ in Lakhs) [Refer note no.18(ii)]	Non-current (₹ in Lakhs)	Current (₹ in Lakhs) [Refer note no.18(ii)]	Non-current (₹ in Lakhs)				
Debentures:									
1 Debenture holder	3 month T-Bill +1.65% (Previous year: N.A.)	-	13967.59#	-	-	2 years 10 months and 26 days	Bullet repayment at the end of 3 years with put/ call options at the end of 18 months from the date of disbursement	14000.00	Refer note no. 18 (i) (a) (i) above
	Sub - Total	**-**	**13967.59**	**-**	**-**				
Term Loans:									
1 HDFC Bank Ltd.	3 month T-Bill + 1.85% (Previous year: N.A.)	2550.00	11050.00	-	-	4 years 2 months and 28 days	16 (payable quarterly)	850.00	Refer note no. 18 (i) (a) (ii) above
	Sub - Total	**2550.00**	**11050.00**	**-**	**-**				
2 HDFC Bank Ltd.	3 month T-Bill +1.85% (Previous year: HDFC one year MCLR)	2006.00	1504.50	2006.00	3510.50	1 year 8 months and 30 days	7 (payable quarterly)	501.50	Refer note no. 18 (i) (a) (iii) above
	Sub - Total	**2006.00**	**1504.50**	**2006.00**	**3510.50**				
3 ICICI Bank Ltd.	ICICI one year MCLR (Previous year: ICICI one year MCLR)	1250.00	1250.00	1250.00	2500.00	1 year 8 months and 30 days	2 (payable annually)	1250.00	Refer note no. 18 (i) (a) (iv) above
	Sub - Total	**1250.00**	**1250.00**	**1250.00**	**2500.00**				

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 18 (i) - Borrowings (carried at amortised cost) (contd.)

Lender of Loan	Rate of Interest (ROI) (%)	Amount outstanding as at 31st March, 2023		Amount outstanding as at 31st March, 2022		Period of maturity w.r.t. the Balance Sheet date as at 31st March, 2023	Number of instalments outstanding as at 31st March, 2023	Amount of each instalment (₹ in Lakhs)	Details of security offered
		Current (₹ in Lakhs) [Refer note no.18(ii)]	Non-current (₹ in Lakhs)	Current (₹ in Lakhs) [Refer note no.18(ii)]	Non-current (₹ in Lakhs)				
4 State Bank of India *	3 month T-Bill +1.80% (Previous year: N.A.)	5500.00	13500.00	-	-	3 years 11 months and 20 days	16 (payable quarterly)	1375.00	Refer note no. 18 (i) (a) (v) above
	Sub - Total	**5500.00**	**13500.00**	**-**	**-**				
5 ICICI Bank Ltd. (Acting as an agent on behalf of Government of Uttar Pradesh)	** 5.00% p.a. (Fixed)	7301.62	1602.88^	7301.62	8409.37	1 year 3 months and 3 days	15 (payable monthly)	608.47	Refer note no. 18 (i) (a) (vi) above
	Sub - Total	**7301.62**	**1602.88**	**7301.62**	**8409.37**				
	Grand Total	**18607.62**	**42874.97**	**10557.62**	**14419.87**				

Net of transaction costs amounting to ₹32.41 Lakhs (Previous year:₹ Nil to be amortised over the tenure of the debentures.

* ₹3000.00 Lakhs is yet to be drawn from State Bank of India. Repayment instalment is on the basis of sanctioned amount.

** Rate of interest has been fixed by the Government of Uttar Pradesh @5.00% for entire tenure of the loan under the Scheme for Extending Financial Assistance to Sugar Undertaking - 2018, of Uttar Pradesh Government

^ Excluding ₹222.53 Lakhs (Previous year: ₹717.66 Lakhs) on account of effective interest rate adjustment being taken to Deferred income.

Note No. : 18 - Borrowings (carried at amortised cost) (contd.)

(ii) Current

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Loans repayable on demand				
Working capital loans				
From banks				
Secured				
Rupee loans *				
State Bank of India (SBI)	87398.76		60903.91	
HDFC Bank Ltd. (HDFC)	38980.70	126379.46	35081.50	95985.41
Current maturities of long - term debt **				
Term loans				
From banks				
Secured				
Rupee loans:				
HDFC Bank Ltd. (HDFC)	4556.00		2006.00	
ICICI Bank Ltd. (ICICI)	1250.00		1250.00	
State Bank of India (SBI)	5500.00		-	
ICICI Bank Ltd. (ICICI) (Acting as an agent on behalf of Government of Uttar Pradesh)	7301.62	18607.62	7301.62	10557.62
		144987.08		**106543.03**

* The Company is having favourable balance with ICICI Bank Ltd. (ICICI) and Kotak Mahindra Bank Ltd. (KOTAK) at the year end and accordingly the same has been clubbed with Balances with banks under Note No.13 "Cash and cash equivalents".

** Refer note no. 18(i) (a) and (b) for nature of securities and terms of repayment respectively.

Nature of securities :

Working capital loans from banks (viz: SBI, HDFC, ICICI and KOTAK) are secured by way of hypothecation of entire stock of sugar, sugar in process, mill stores, bagasse, molasses and other current assets including book debts, both present and future, of all the ten sugar units of the Company on pari passu basis with each of them.

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 19 - Lease liabilities (Unsecured)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	108.35	116.81
Finance cost accrued during the year	7.58	8.17
Payment of lease liabilities during the year	16.63	16.63
Closing balance	**99.30**	**108.35**
Current	16.63	16.63
Non - current	82.67	91.72

Footnote:

Further, to above, the Company has certain lease arrangement on short term basis or low value items, expenditure on which has been recognised under line item "Rent" under Other expenses.

Note No. : 20 - Other financial liabilities (carried at amortised cost)

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Interest accrued but not due on borrowings		1126.90		377.90
Unpaid dividend @		189.69		176.39
Other payables				
Retention monies	4120.48		1884.09	
Security deposits	1544.39		776.97	
Accrued expenses	240.59		196.17	
Accrued salaries and other payroll dues	4902.00		4016.71	
Others	45.21	10852.67	113.98	6987.92
		12169.26		**7542.21**

@ There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at balance sheet date.

Note No. : 21 - Deferred income

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	717.66	1467.81
Less: Transferred to the statement of profit and loss	495.13	750.15
Closing balance	**222.53**	**717.66**
Current	215.64	495.14
Non - current	6.89	222.52

[Refer note no. 36(8) for other disclosures]

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 22 - Provisions

(i) Non-current

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for employee benefits - unavailed leave [Refer note no. 36(9)]	1071.01	957.44
	1071.01	**957.44**

(ii) Current

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Provision for employee benefits [Refer note no. 36(9)]				
Unavailed leave	621.86		554.64	
Gratuity	117.25	739.11	118.83	673.47
Other provisions				
Provision for contingencies [Refer note no. 36(2)]		0.42		0.42
		739.53		**673.89**

Note No. : 23 - Deferred tax liabilities (net)

As at 31st March, 2023

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in equity	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment and Intangible assets	21971.74	2882.81	-	-	24854.55
Investments	350.87	271.00	-	(1.32)	620.55
	22322.61	**3153.81**	**-**	**(1.32)**	**25475.10**
Tax effect of items constituting deferred tax assets					
Expenses allowable on payment basis	976.02	115.29	-	-	1091.31
MAT credit entitlement (MAT)	13796.19	(2434.53)	39.92	167.14	11568.72
	14772.21	**(2319.24)**	**39.92**	**167.14**	**12660.03**
Net deferred tax liabilities / expense	**7550.40**	**5473.05**	**(39.92)**	**(168.46)**	**12815.07**

Note No. : 23 - Deferred tax liabilities (net) (contd.)

As at 31st March, 2022

(₹ in Lakhs)

Particulars	Opening balance	Recognised in profit or loss	Recognised in equity	Recognised in other comprehensive income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment and Intangible assets	22825.67	(853.93)	-	-	21971.74
Investments	1672.21	(687.37)	(632.52)	(1.45)	350.87
	24497.88	**(1541.30)**	**(632.52)**	**(1.45)**	**22322.61**
Tax effect of items constituting deferred tax assets					
Carried forward tax losses/ unabsorbed depreciation	68.07	(68.07)	-	-	-
Expenses allowable on payment basis	221.85	754.17	-	-	976.02
MAT credit entitlement (MAT)	17807.52	(4169.76)	61.26	97.17	13796.19
	18097.44	**(3483.66)**	**61.26**	**97.17**	**14772.21**
Net deferred tax liabilities / expense	**6400.44**	**1942.36**	**(693.78)**	**(98.62)**	**7550.40**

The ultimate realisation of deferred tax assets, carried forward tax losses/unabsorbed depreciation and unused tax credits is dependent upon the generation of future taxable income. Deferred tax assets including MAT credit entitlement is recognised on management's assessment of reasonable certainty for reversal/ utilisation thereof against future taxable income.

Based on the assessment of the possible impact of the new tax regime, the Company has decided to continue with existing normal tax structure till certain deductions are available and accumulated Minimum Alternate Tax (MAT) credit is substantially exhausted and thereafter, to opt for the concessional rate under new tax regime.

Note No. : 24 - Trade and other payables

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	308.83	205.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	31293.07	27579.37
	31601.90	**27784.55**
Other payables		
Payable to suppliers of capital goods		
Total outstanding dues of micro enterprises and small enterprises	617.02	406.92
Total outstanding dues of creditors other than micro enterprises and small enterprises	2968.28	2637.03
	3585.30	**3043.95**
	35187.20	**30828.50**

Note No. : 24 - Trade and other payables (contd.)

Trade payables ageing schedule

As at the end of 31st March, 2023

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	308.83	-	-	-	-	308.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	1496.23	29763.05	28.48	4.28	1.03	31293.07
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**1805.06**	**29763.05**	**28.48**	**4.28**	**1.03**	**31601.90**

As at the end of 31st March, 2022

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	75.99	129.19	-	-	-	205.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	784.33	26634.67	75.93	50.71	33.73	27579.37
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**860.32**	**26763.86**	**75.93**	**50.71**	**33.73**	**27784.55**

Other information

Details related to information required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been given in note no. 36(5).

Note No. : 25 - Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
Other advances				
Advances from customers		488.18		433.48
Others				
Statutory liabilities	2513.24		1687.17	
Others *	126.66	2639.90	759.55	2446.72
		3128.08		**2880.20**

* Includes interest accrued relating to micro enterprises and small enterprises [Refer note no. 36(5)]

Note No. : 26 - Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Sale of goods				
Domestic sales				
Sugar	325097.26		356255.26	
Industrial alcohol	113227.65		97462.00	
Co-generated power	10832.06		11540.78	
Bagasse	9924.71		7828.93	
Others	7504.49	466586.17	4239.51	477326.48
Other operating revenue				
Government grants [Refer note no. 36(8)]				
Export incentive and assistance		-		7276.20
		466586.17		**484602.68**

Footnotes:

(i) Details relating to performance obligation in terms of Ind AS 115 " Revenue from contracts " with customers has been given in Note No. 36(11).

(ii) Disaggregated revenue information have been given along with segment information in note no. 36(12)(d)

Note No. : 27 - Other income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Interest income on financial assets carried at amortised cost				
Deposit with banks and others		83.53		38.42
Gain on sale of highly liquid investments (treated as cash equivalent)		692.95		758.94
Gain on sale of investments in mutual funds (treated as current investments)		282.15		-
Fair value gain on investments in mutual funds (treated as current investments)		69.10		-
Gain on deemed disposal of investment in an associate		-		2.42
[Refer note no. 36(15)(b)]				
Other non-operating income				
Insurance claims	597.67		509.04	
Liabilities no longer required written back	242.75		274.62	
Recovery towards written off balances	-		0.02	
Allowance for impaired receivables written back [Net of bad debts written off ₹ Nil (Previous year: ₹35.27 Lakhs)]	-		62.36	
Storage fund for molasses written back [Refer note no. 17 (iv)]	33.44		-	
Miscellaneous *	4277.55	5151.41	1655.73	2501.77
		6279.14		**3301.55**
* Includes scrap sales		3715.27		1349.15

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 28 - Cost of materials consumed

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Sugarcane	344893.66	325296.62
Others *	(2953.99)	876.40
	341939.67	**326173.02**

* Includes differential impact of opening and closing inventories of raw materials

Note No. : 29 - Changes in inventories of finished goods, by-products and work-in-progress

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Finished goods				
Opening stock				
Sugar	179478.98		201416.00	
Industrial alcohol	1554.86		5464.42	
Banked power	246.11		163.23	
Others	46.16	181326.11	61.18	207104.83
Less : Closing stock				
Sugar	169384.98		179478.98	
Industrial alcohol	11546.96		1554.86	
Banked power	243.74		246.11	
Others	70.59	181246.27	46.16	181326.11
Less: Power used during trial run of capital projects		67.70		6.07
Decrease (A)		**12.14**		**25772.65**
By-products				
Opening stock		17659.00		12452.04
Less : Closing stock		17956.48		17659.00
Less: Bagasse used during trial run of capital projects		144.06		16.72
(Increase) (B)		**(441.54)**		**(5223.68)**
Work- in-progress				
Opening stock				
Sugar	2791.64		1770.53	
By-products	371.08	3162.72	284.82	2055.35
Less : Closing stock				
Sugar and syrup	3127.58		2791.64	
By-products	621.45	3749.03	371.08	3162.72
(Increase) (C)		**(586.31)**		**(1107.37)**
(Increase)/ Decrease (D) = (A + B + C)		**(1015.71)**		**19441.60**

Note No. : 30 - Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries and wages	32148.54	27288.32
Contribution to provident, gratuity and other funds	3825.49	3130.00
Staff welfare expense	405.22	367.72
	36379.25	30786.04
Less: Recovery towards deputation of an employee [Refer note no. 36(10)]	-	5.60
	36379.25	**30780.44**

Note No. : 31 - Finance costs

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Interest				
On long term borrowings [Refer note no. 36(8)]	1689.02		1407.58	
On short term borrowings	3141.43		1595.84	
Others *	13.88	4844.33	13.46	3016.88
Other borrowing costs		20.35		70.01
		4864.68		**3086.89**
* Includes interest on lease liabilities		7.58		8.17
* Includes interest on statutory dues		0.11		0.08

Note No. : 32 - Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation of property, plant and equipment * [Refer note no. 4]	12912.18	11347.04
Amortisation of intangible assets [Refer note no. 5]	38.12	39.45
	12950.30	**11386.49**

* includes depreciation of right-of-use assets

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 33 - Other expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Consumption of stores				
Process chemicals	4999.66		4196.54	
Others	273.71	5273.37	269.35	4465.89
Packing materials		3539.05		3875.19
Power and fuel		97.32		268.89
Rent		149.38		114.15
Repairs				
Buildings	983.27		792.22	
Machinery	7178.93		6849.33	
Others	261.90	8424.10	230.32	7871.87
Insurance		1292.13		1227.11
Rates and taxes (excluding taxes on income)		2621.87		641.12
Commission to non-executive directors		110.00		110.00
Directors' fees		36.95		31.20
Payments to auditors				
For statutory audit	55.65		52.50	
For other services (Limited reviews and certifications)	21.83		20.25	
For reimbursement of expenses	-	77.48	0.30	73.05
Cost audit fees		4.00		4.00
Professional expenses #		520.53		4151.41
Freight and handling expenses		6618.01		6818.03
Brokerage and commission		445.87		526.63
Charity and donation		11.26		10.81
Corporate social responsibility expense [Refer note no. 36(6)]		1194.74		1119.67
Loss on deemed disposal of investment in an associate [Refer note no.36(15)]		28.79		-
Miscellaneous expenses *		6239.28		6099.98
Loss on sale/discard of property, plant and equipment (net)		920.04		744.75
Sundry debit balances/advances written off		85.52		14.70
Payment towards balances earlier written back		287.35		4.53
Transfer to storage fund for molasses		66.95		53.20
Obsolete stores and spares written off		34.99		1.05
Provision for obsolescence /non-moving stores and spares		-		10.58
		38078.98		**38237.81**
# Includes expenses incurred towards export under MAEQ		-		3562.41
* Includes contribution in electoral bonds		-		200.00

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 34 - Tax expense

(₹ in Lakhs)

Particulars		Year ended 31st March, 2023	Year ended 31st March, 2022
Current tax		6941.72	11448.97
Tax provision for earlier years		-	16.82
Deferred tax [Refer note no. 23]		5473.05	1942.36
		12414.77	**13408.15**
Reconciliation of tax expense			
Profit before tax		40831.47	59871.70
Applicable tax rate (using the Company's tax rate)		34.944%	34.944%
Computed tax expense	(A)	**14268.15**	**22909.74**
Adjustments for:			
Expenses not allowed for tax purpose		370.59	195.78
Effect of tax deductions		(1223.04)	(6461.84)
Changes in recognised deductible temporary differences		(1507.37)	(1362.45)
Additional allowance for Tax deductions		-	(142.08)
Effect of lower tax rate on capital gains		-	(553.66)
MAT credit utilised /(entitlement) for earlier years		631.89	(506.79)
Tax provision for earlier years		-	16.82
Share of profit in associates		(125.45)	(687.37)
Net adjustments	(B)	**(1853.38)**	**(9501.59)**
Tax Expense	C=(A+B)	**12414.77**	**13408.15**

Note No. : 35 - Other comprehensive income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
Items that will not be reclassified to profit or loss				
Re-measurement of defined benefit plan	(956.61)		(556.12)	
Share of Other Comprehensive Income in an associate, to the extent not to be classified into profit or loss	(5.68)	**(962.29)**	(6.68)	**(562.80)**
Less: Income tax relating to items that will not be reclassified to profit or loss		335.60		195.78
		(626.69)		**(367.02)**

Note No. : 36 Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities :

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
(i)	Claims against the Company not acknowledged as debts :		
	- Sales tax and entry tax (including interest and other claims) - under appeal/litigation	51.46	92.69
	- Others - under appeal/ litigation	154.00	151.48
		205.46	**244.17**
(ii)	Claims for acquisition of 1.99 acres of land for the Distillery unit at Balrampur and compensation there against is under dispute as the matter is subjudice	Amount not ascertainable	Amount not ascertainable

Note No. : 36 Other disclosures (contd.)

Footnotes:

- The amounts shown in (i) above represent the best possible estimates arrived at, on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

  In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals/ litigations.

- Refer note no. 36(3) (b) for availment of remission of taxes and levies pending final decision with the Hon'ble Supreme Court on the matter.

(b) Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	9098.39	50019.88
(ii)	Advance paid against above	828.87	8295.99

2. Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent liabilities and Contingent assets:

(a) Provision for contingencies

(i) Provisions for contingencies represent provision towards various claims made/ anticipated in respect of litigation/ claims against the Company based on the Management's assessment.

(ii) Movement in Provision for contingencies:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
As per last account	0.42	0.42
	0.42	**0.42**
- Current	0.42	0.42
- Non-current	-	-

It is not possible to estimate the timing/ uncertainties relating to utilisation/ reversal of the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/ out of Court settlement/ disposal of appeals. The Company does not expect any reimbursement in respect of above provision.

(b) Contingent assets

During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances. Also Refer note no. 36(3)(a) and 36(3)(c) in this respect.

3(a) The Hon'ble High Court at Allahabad, Lucknow Bench, vide its order dated 12th February, 2019 ("Order") had quashed the G.O. dated 4th June, 2007, vide which the Sugar Industry Promotion Policy 2004 ("SIPP") was withdrawn, and held that the petitioner companies were entitled to all the benefits for the entire period of the validity of SIPP. Consequent to this, the Company in respect of its capital projects and expansions during the period from 2004 to 2008 is entitled to the capital subsidy, reimbursement of certain expenses, remission of certain taxes and levies under the provision of the said policy.

Note No. : 36 Other disclosures (contd.)

The State Government of Uttar Pradesh and others have filed Special Leave Petitions challenging the said Order before the Hon'ble Supreme Court of India and the cases are pending for hearing as on 31st March, 2023. Pending this, the Company's claim for reimbursement of ₹33654.94 Lakhs (Previous year: ₹33654.94 Lakhs) and capital subsidy of ₹13137.77 Lakhs (Previous year: ₹13137.77 Lakhs) pursuant to SIPP being contingent in nature, has not been recognised.

(b) In terms of SIPP, the Company availed remission of taxes and levies, namely, Entry Tax on Sugar, Trade Tax on Molasses and Cane Purchase Tax, Stamp duty and registration charges on purchase of land aggregating to ₹11278.45 Lakhs in earlier years. These remissions were availed pursuant to protection earlier provided by the Hon'ble High Court at Allahabad, which has been confirmed pursuant to the Order of the said court as given in Note No. 36(3)(a) above.

In the assessment of Entry Tax on Sugar and Trade Tax on Molasses relating to four sugar units, namely, Akbarpur, Mankapur, Kumbhi and Gularia aggregating to ₹6300.63 Lakhs has been assessed, though these units are also eligible for the remission under the SIPP. However, no demand has been raised and pursued against the Company in view of the protection by the Hon'ble High Court as aforesaid. Since these units are eligible for incentive under SIPP and no demand has yet been raised against the Company, the aforesaid amount of ₹6300.63 Lakhs has not been considered as contingent liability.

(c) Uttar Pradesh Electricity Regulatory Commission vide notification dated 25th July, 2019 reduced the power purchase rates of bagasse-based power plants w.e.f. 1st April, 2019 and revenue in this respect has accordingly been recognised at such reduced rates. The Uttar Pradesh Cogen Association has filed a writ petition, challenging the reduction in power rates before Hon'ble High Court at Allahabad which has been admitted. Next hearing date is yet to be announced.

(d) Uttar Pradesh Excise Authorities had imposed payment of ₹20/- per quintal on molasses transferred, sold, or supplied for captive consumption with effect from 24th December 2021 as "Regulatory Fee" under amended Section 8(4) of Uttar Pradesh Sheera Niyantran Adhiniyam, 1964.

The Uttar Pradesh Sugar Mills Association and Others have filed a writ petition against the aforesaid levy before Lucknow Bench of Hon'ble Allahabad High Court. The said Court vide its Interim Order dated 25th February 2022, have deferred the realisation thereof pending final decision on the matter. Next hearing date is yet to be announced.

Up to March 31st, 2022, the Company deposited ₹449.44 Lakhs "under protest" which was clubbed and shown with ""Duties and taxes paid under protest"" under Note No. 9, Other non-current assets.

During the year ended 31st March, 2023, the Company has continued to deposit the amount under protest, however, decided to expense out the Regulatory Fees to the Statement of Profit and Loss, including ₹449.44 Lakhs deposited in previous year.

4(a) At its meeting on 9th November, 2022, the Board of Directors approved a buy-back of equity shares not exceeding ₹14544.00 Lakhs ("Maximum Buyback Size"), (excluding transaction costs and tax on buy-back), at a price not exceeding ₹360/- per equity share ("Maximum Buyback Price").

At the Maximum Buyback Price and Maximum Buyback Size, the indicative maximum number of equity shares to be bought back was 4040000 equity shares (Maximum Buyback Shares), representing approximately 1.98% of the paid-up share capital of the Company as of 31st March, 2022. The buy-back was offered to all eligible equity shareholders of the Company (excluding the Promoters, the Promoter Group, and Persons in Control of the Company) under the open market route through the stock exchanges. The buy-back of equity shares began on 16th November, 2022.

During the year ended 31st March, 2023, the Company bought-back and extinguished a total of 2290755 equity shares at a volume-weighted average price of ₹357.31 per equity share, aggregating to ₹8185.14 Lakhs, (excluding transaction costs and tax on buy-back), comprising approximately 1.12% of the pre-buyback paid-up equity share capital of the Company.

Consequently, the equity share capital has been reduced by ₹22.91 Lakhs, and an amount equivalent to the face value of equity shares bought back has been transferred from Retained earnings to Capital redemption reserve. The differential amount of ₹8162.23 Lakhs with respect to the aggregate consideration in excess of the face value of the

Note No. : 36 Other disclosures (contd.)

equity shares bought back has been adjusted from Retained Earnings. Further, various costs aggregating to ₹74.31 Lakhs (net of tax of ₹39.92 Lakhs), incurred for the same and the taxation on buy-back amounting to ₹1893.47 Lakhs, have also been adjusted from Retained earnings.

As of 31st March, 2023, out of the funds set aside and earmarked for above buy-back, the balance amount remain invested in mutual funds of ₹6125.06 Lakhs and fixed deposits of ₹363.60 Lakhs. No shares have additionally been bought back during the period from 1st April, 2023 to 10th May, 2023. The Company's offer for buy-back, as scheduled, is open till 15th May, 2023.

4(b) The shareholders have approved the "BCML Employees Stock Appreciation Rights Plan 2023" ("ESAR 2023"/ "Plan") through Postal Ballot on 23rd April, 2023. Under the Plan, the Company would grant Employees Stock Appreciation Rights ("ESAR") to such employees who are in permanent employment of the Company within the meaning of the Plan, including any director, whether whole-time or otherwise (other than promoters of the Company, or member of the promoter group, independent directors and directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), entitling the employees eligible for ESAR to receive in aggregate not more than 4000000 equity shares of face value of ₹ 1/- each, based on such eligibility criteria and terms and conditions as may be decided by the Nomination & Remuneration Committee of the Board of Directors.

5. Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payable to suppliers of capital goods are as follows:

As at 31st March, 2023:

(₹ in Lakhs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	308.83	617.02	925.85
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	0.85	0.11	0.96
(iv)	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 Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year #	-	-	-
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24

\# Included in the line item "Others" under Note No. 25

Note No. : 36 Other disclosures (contd.)

As at 31st March, 2022:

(₹ in Lakhs)

Sl. No.	Description	Trade Payables	Payable to suppliers of capital goods	Total
(i)	The principal amount remaining unpaid to suppliers as at the end of accounting year *	205.18	406.92	612.10
(ii)	The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-	-
(iii)	The amount of interest paid by the Company in terms of section 16, of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the suppliers beyond the appointed day during the year	2.01	-	2.01
(iv)	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 Micro, Small and Medium Enterprises Development Act, 2006	0.85	0.11	0.96
(v)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year #	0.85	0.11	0.96
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

* Included in the line item "Total outstanding dues of micro enterprises and small enterprises" under Note No. 24

\# Included in the line item "Others" under Note No. 25

6. Expenditure on Corporate Social Responsibility (CSR) activities :

(a) Details of CSR expenditure:

(₹ in Lakhs)

Sl. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
(i)	Gross amount required to be spent by the Company during the year	1132.94	1135.76
(ii)	Amount spent during the year : *		
	a) Construction/acquisition of any asset		
	- in cash	14.35	43.97
	- yet to be paid in cash	-	-
	b) On purposes other than (a) above		
	- in cash	1180.39	1075.70
	- yet to be paid in cash	-	-
(iii)	Previous year excess spent adjusted with current year requirement to be spent	85.52	16.09
(iv)	Unspent amount during the year	-	-
(v)	Reason for shortfall	Not applicable	Not applicable

* The Company spent ₹1194.74 Lakhs (Previous Year: ₹1119.67 Lakhs) towards its CSR obligations.

Note No. : 36 Other disclosures (contd.)

6. **Expenditure on Corporate Social Responsibility (CSR) activities** (contd.)

(b) **Nature of CSR activities**

The CSR activities of the Company are focused on livelihood enhancement and poverty alleviation, education including skill development for empowerment of women and others, healthcare, sanitation and safe drinking water, rural development and transformation, environment sustainability and climate change and disaster management.

(c) **Details of excess amount spent**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening balance	**85.52**	**101.61**
Amount required to be spent during the year	1132.94	1135.76
Amount spent during the year	1194.74	1119.67
Closing balance	**147.32**	**85.52**
- To be carried forward for next year	147.32	85.52
- Not to be carried forward for next year	-	-

(d) There are no ongoing projects under CSR which will require future cash flows.

7. **Earnings per share :**

Sl. No.	Particulars		Year ended 31st March, 2023	Year ended 31st March, 2022
(i)	Amount used as the numerator			
	Profit after Tax (₹ in Lakhs)	(A)	28416.70	46463.55
(ii)	Weighted average number of equity shares outstanding used as the denominator for computing Basic and Diluted Earnings per share *	(B)	203890016	207022892
(iii)	Face value of equity shares (₹)		1.00	1.00
(iv)	Basic and Diluted Earnings per share (₹)	(A/B)	13.94	22.44

* The Company does not have any dilutive potential equity shares

8. The Company is eligible to receive various financial assistance from government authorities. The Company has recognised the eligible government grants in the following manner:

(₹ in Lakhs)

Sl. No.	Particulars	Treatment in Accounts	Year ended 31st March, 2023	Year ended 31st March, 2022
A.	**Grants related to Income**			
(a)	**Revenue related Government grants:**			
(i)	Towards marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar (Refer footnote (i) below)	Included under "Export incentive and assistance" under Revenue from Operations	-	7276.20
(ii)	Interest on term loans (Refer footnote (ii) below)	(i) Deducted from "interest expense on long term borrowings" under Finance costs	954.47	416.37

Note No. : 36 Other disclosures (contd.)

(₹ in Lakhs)

Sl. No.	Particulars	Treatment in Accounts	Year ended 31st March, 2023	Year ended 31st March, 2022
		(ii) Deducted from "interest expense on long term borrowings capitalised" [Refer note no. 4A]	216.59	-
(iii)	Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme (Refer footnote (iii) below)	Deducted from "Contribution to provident, gratuity and other funds" under Employee benefits expense	-	0.32
			1171.06	**7692.89**
(b)	**Amortisation of Government grants:**			
	Government grant relating to interest on term loans (Refer footnote (iv) below)	Deducted from "interest expense on long term borrowings" under Finance costs	495.13	750.15
			495.13	**750.15**
			1666.19	**8443.04**

Footnotes:

(i) The total export entitlement utilized and physical export done through merchant exporter by the Company during the year ended 31st March, 2022 aggregated to 121270 MT against the quota allocated for the sugar season 2020-21. The financial assistance earned against such exports @ ₹6000 per MT amounting to ₹7276.20 Lakhs was clubbed with export incentive and assistance.

(ii) Notification No. S.O. 3523 (E) dated 19th July, 2018 and subsequent notifications issued from time to time issued by the Central Government for "extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity" with a view to increase production of ethanol and its supply under Ethanol Blended with Petrol (EBP) Programme, and thereby to improve the liquidity position of the sugar mills enabling them to clear cane price arrears of the farmers for which interest subvention @ 6% p.a. or 50% of rate of interest charged by banks (whichever is lower) would be borne by the Central Government for a tenure of 5 years from the date of disbursement of the loan.

Under the said scheme, HDFC Bank and ICICI Bank disbursed rupee loan aggregating to ₹8024.00 Lakhs and ₹5000.00 Lakhs respectively, during the year ended 31st March, 2020 which was utilised for setting up of 160 KLPD distillery at Gularia unit.

Further, State Bank of India disbursed Rupee Loans aggregating to ₹19000.00 Lakhs (₹3000.00 Lakhs is yet to be disbursed by the bank), and HDFC Bank disbursed Rupee Loan of ₹13600.00 Lakhs during the year ended 31st March 2023, which was utilized for setting up a new distillery of 320 KLPD distillery at Maizapur unit and expansion of the distillery unit at Balrampur with an additional capacity of 170 KLPD, respectively.

Accordingly, ₹954.47 Lakhs (Previous Year: ₹416.37 Lakhs) has been adjusted with interest on long-term borrowings for the year ended 31st March 2023. Further, a sum of ₹216.59 Lakhs (Previous Year: ₹ Nil) has been adjusted with interest on long-term borrowings capitalized.

(iii) The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) Plan Scheme was designed to incentivise employers for generation of new employment, where Government of India paid 8.33% Employee Pension Scheme contribution of the employer for the new employment. Accordingly ₹ Nil (Previous Year: ₹0.32 Lakhs) have been deducted from Contribution to provident, gratuity and other funds under Employee benefits expense, for the year ended 31st March, 2023.

Note No. : 36 Other disclosures (contd.)

(iv) The Government of Uttar Pradesh vide its Order No. - 12/2018/1698 / 46-3-18-3 (36-A) / 2018 dated 28th September, 2018 notified a scheme for assistance to sugar mills under the Scheme for Extending Financial Assistance to Sugar Undertakings - 2018 of Uttar Pradesh Government, for the purpose of clearance of sugarcane price for sugar season 2016-17 and 2017-18 as per the State Advised Price of sugarcane fixed by the State Government.

Under the said scheme, during the year ended 31st March 2019, the State Government extended Rupee term loan to the Company through ICICI Bank @ 5% p.a. interest for a period of 5 years aggregating to ₹36508.11 Lakhs which was utilised for clearance of sugarcane price for sugar season 2017-18 as per the scheme.

Pursuant to the requirements of Ind AS 20 – "Accounting for Government Grants and Disclosure of Government Assistance" and Ind AS 109 – "Financial Instruments", ₹4051.19 Lakhs was accounted for during the year ended 31st March, 2019 and included under Note No. 21 - "Deferred income".

Accordingly, proportionate income amounting to ₹495.13 Lakhs and ₹750.15 Lakhs has been adjusted with interest on long term borrowings for the year ended 31st March, 2023 and 31st March, 2022 respectively.

9. Employee benefits :

As per Ind AS - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined contribution plan :

The contributions to defined contribution plan, recognised as expense in the Consolidated Statement of Profit and Loss are as under :

(₹ in Lakhs)

Defined contribution plan	Year ended 31st March, 2023	Year ended 31st March, 2022
Contribution to provident fund (including Pension)	2728.46	2239.05
Contribution to national pension scheme	74.39	36.04

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of continuance service is entitled to the gratuity. The gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits depends on the member's length of service and salary at the time of cessation of the employment contract with the Company.

The fund is in the form of a trust and is governed by the Board of Trustees who are responsible for its administration. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. Each year, the Board of Trustees reviews the asset-liability matching strategy, investment risk management policy. The Board of Trustees decides its contribution based on the results of this annual review.

The Company contributes ascertained liabilities towards gratuity to trust.

Note No. : 36 Other disclosures (contd.)

9. **Employee benefits** (contd.)

The following tables summarizes the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss, the funded status and amounts recognised in the Consolidated Balance sheet for the said plan:

(a) Details of funded post retirement plans are as follows :

(₹ in Lakhs)

Sl. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
I.	**Expenses recognised in the Consolidated Profit or Loss:**		
1	Current service cost	870.47	748.73
2	Net interest on the net defined benefit liability/asset	(9.83)	(36.02)
3	Expense recognised in the Consolidated Profit or Loss	860.64	712.71
II.	**Consolidated Other comprehensive income**		
1	Actuarial (gain) / loss arising from:		
	- change in financial assumptions	(201.92)	227.24
	- changes in experience adjustments	740.37	325.99
2	(Returns)/loss on plan assets	418.16	2.89
3	Components of defined benefit costs recognised in Consolidated Other comprehensive income	956.61	556.12
III.	**Change in present value of defined benefit obligation :**		
1	Present value of defined benefit obligation at the beginning of the year	10202.67	8842.17
2	Interest expense	692.39	558.49
3	Current service cost	870.47	748.73
4	Benefits paid	623.08	499.95
5	Actuarial (gain) / loss arising from:		
	- changes in financial assumptions	(201.92)	227.24
	- changes in experience adjustments	740.37	325.99
6	Present value of defined benefit obligation at the end of the year	11680.90	10202.67
IV.	**Change in fair value of plan assets during the year :**		
1	Fair value of plan assets at the beginning of the year	10083.84	8800.50
2	Interest income	702.22	594.51
3	Employers' contributions	1818.83	1191.67
4	Benefits paid	623.08	499.95
5	Re-measurement (Returns on plan assets excluding amounts included in interest income)	418.16	2.89
6	Fair value of plan assets at the end of the year	11563.65	10083.84
V.	**Net asset / (liability) recognised in the Consolidated Balance sheet as at the year end:**		
1	Present value of defined benefit obligation	11680.90	10202.67
2	Fair value of plan assets	11563.65	10083.84
3	Funded Status [Surplus/(Deficit)]	(117.25)	(118.83)
4	Net Asset / (Liability) recognised in Consolidated Balance sheet	(117.25)	(118.83)
	- Current *	(117.25)	(118.83)
	- Non-Current	-	-

* paid subsequently after the balance sheet date

Note No. : 36 Other disclosures (contd.)

9. **Employee benefits** (contd.)

(₹ in Lakhs unless stated otherwise)

Sl. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
VI.	**Actuarial assumptions :**		
1	Discount rate (per annum) (in %)	7.20%	7.00%
2	Expected return on plan assets (per annum) (in %)	7.20%	7.00%
3	Expected rate of salary increase (in %)	7.00%	7.00%
4	Retirement/Superannuation age (in Year)	60	60
5	Mortality rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
VII.	**Major category of plan assets as a % of the total plan assets as at the year end :**		
1	Administered by Insurance Companies (in %)	99.98%	99.94%
2	Others (Cash and cash equivalents) (in %)	0.02%	0.06%
VIII.	**Maturity profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	567.71	481.97
	Between 2 and 5 years	4213.66	3441.22
	Between 5 and 10 years	8375.99	7292.86
	Total expected payments	**13157.36**	**11216.05**
	The average duration of the defined benefit plan obligation at the end of the balance sheet date (in years)	9	9
IX.	**Sensitivity analysis on present value of defined benefit obligations:**		
	Discount rates		
	1.00% Increase	(930.61)	(856.44)
	1.00% Decrease	1068.84	987.56
	Expected rates of salary increases		
	1.00% Increase	1060.68	978.03
	1.00% Decrease	(940.69)	(864.20)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitivities are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

X. **The history of funded post retirement plans are as follows :**

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019
Present value of defined benefit obligation	11680.90	10202.67	8842.17	7437.56	6106.16
Fair value of plan assets	11563.65	10083.84	8800.50	5853.44	5968.75

Note No. : 36 Other disclosures (contd.)

9. **Employee benefits** (contd.)

(b) Details of other long term benefits are as follows:

(₹ in Lakhs, unless stated otherwise)

Sl. No.	Particulars	Leave Encashment (Unfunded)	
		Year ended 31st March, 2023	Year ended 31st March, 2022
I.	**Components of employer expense :**		
1	Current service cost	72.92	49.60
2	Interest cost	66.03	51.46
3	Actuarial (gain) /loss recognised in the year	80.57	155.86
4	Expense recognised in the Consolidated Profit or Loss	219.52	256.92
II.	**Change in present value of obligation :**		
1	Present value of obligation at the beginning of the year	994.45	845.87
2	Interest cost	66.03	51.46
3	Current service cost	72.92	49.60
4	Benefits paid	102.20	108.34
5	Actuarial (gain) /loss recognised in the year	80.57	155.86
6	Present value of obligation at the end of the year	1111.77	994.45
III.	**Net asset / (liability) recognised in the Consolidated Balance sheet as at the year end:**		
1	Present value of defined benefit obligation	1111.77	994.45
2	Fair value of plan assets	-	-
3	Funded status [Surplus/(Deficit)]	(1111.77)	(994.45)
4	Net Asset / (Liability) recognised in Consolidated Balance Sheet *	(1111.77)	(994.45)
IV.	**Actuarial assumptions :**		
1	Discount rate (per annum) %	7.20%	7.00%
2	Expected rate of salary increase %	7.00%	7.00%
3	Retirement/Superannuation age (Year)	60	60
4	Mortality rates	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
V.	**Maturity profile**		
	Expected cash flows (valued on undiscounted basis):		
	Within the next 12 months	42.19	38.28
	Between 2 and 5 years	303.12	249.51
	Between 5 and 10 years	594.23	524.45
	Total expected payments	**939.54**	**812.24**

* excludes leave liability towards leave days above the maximum accumulation limit encashable once a year.

Note No. : 36 Other disclosures (contd.)

9. **Employee benefits** (contd.)

(c) **Risks related to defined benefit plans:**

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

(i) **Interest rate risk :**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(ii) **Salary inflation risk :**

Higher than expected increases in salary will increase the defined benefit obligation.

(iii) **Demographic risk :**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

(d) **Asset - liability management and funding arrangements**

The trustees are responsible for determining the investment strategy of plan assets. The overall investment policy and strategy for Company's funded defined benefit plan is guided by the objective of achieving an investment return which, together with the contribution paid is sufficient to maintain reasonable control over various funding risks of the plan.

(e) **Other disclosures :**

The gratuity and provident fund expenses have been recognised under " Contribution to provident, gratuity and other funds" and leave encashment clubbed with " Salaries and wages" under note no. 30 - Employee benefits expense.

10. Related party disclosures :

As per Ind AS - 24 "Related party disclosures", the Related party disclosures are as follows:

(a) **Name of the related parties and description of relationship with whom transactions have taken place :**

(i) **Associate Companies :**
(Significant influence can be exercised)

1. Auxilo Finserve Pvt. Ltd. (AFPL)
2. Visual Percept Solar Projects Pvt. Ltd. (VPSPPL)
(ceased to be an Associate w.e.f. 15th February, 2022)

(ii) **Key Management Personnel**
(KMP):

1. Mr. Vivek Saraogi - Chairman and Managing Director
(Became Chairman and Managing Director w.e.f. 24th May 2022)
2. Mr. Praveen Gupta - Whole-time Director
(w.e.f. 1st July, 2022)
3. Dr. Arvind Krishna Saxena - Whole-time Director
(Upto 31st July, 2022)
4. Mr. Dinesh Kumar Mittal - Independent Director
5. Mr. Krishnava Dutt - Independent Director
6. Ms. Veena Hingarh - Independent Director
7. Ms. Mamta Binani - Independent Director
8. Mr. Naresh Dayal - Non-Executive Non-Independent Director
9. Mr. Sumit Mazumder - Independent Director
(Upto 18th February, 2022)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 36 Other disclosures (contd.)

10. Related party disclosures (contd.)

(iii) Other related parties:

- Close members of family ("Relatives") of KMP :

Mr. Vivek Saraogi	1. Ms. Sumedha Saraogi - Wife
	2. Ms. Avantika Saraogi - Daughter
	3. Ms. Stuti Dhanuka - Sister
Mr. Praveen Gupta	1. Ms. Nita Gupta - Wife
	2. Mr. Apurv Gupta - Son

- Entities over which KMP and/or their relatives have significant influence:

Mr. Vivek Saraogi	1. Meenakshi Mercantiles Ltd.
	2. Udaipur Cotton Mills Co. Ltd.
	3. Ganna Agro Pvt. Ltd.
	4. Novel Suppliers Pvt. Ltd.
	5. Kamal Nayan Saraogi [HUF] (upto 30th July 2021)
	6. Vivek Saraogi [HUF]
Mr. Krishnava Dutt	1. Argus Partners

- Post employment benefit plan — The Balrampur Sugar Company Limited Employees Gratuity Fund

(b) Transactions with Related parties :

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(i)	Investment in equity instruments				
	Auxilo Finserve Pvt. Ltd.	1749.64	-	-	1749.64
		(-)	(-)	(-)	(-)
(ii)	Remuneration of KMP				
	Mr. Vivek Saraogi	-	701.13	-	701.13
		(-)	(630.73)	(-)	(630.73)
	Mr. Praveen Gupta	-	70.43	-	70.43
		(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena	-	14.68	-	14.68
		(-)	(36.97)	(-)	(36.97)
(iii)	Commission to non-executive directors				
	Mr. Dinesh Kumar Mittal	-	31.90	-	31.90
		(-)	(24.00)	(-)	(24.00)
	Mr. Krishnava Dutt	-	20.90	-	20.90
		(-)	(16.00)	(-)	(16.00)
	Ms. Veena Hingarh	-	17.60	-	17.60
		(-)	(16.00)	(-)	(16.00)
	Ms. Mamta Binani	-	17.60	-	17.60
		(-)	(16.00)	(-)	(16.00)
	Mr. Naresh Dayal	-	22.00	-	22.00
		(-)	(16.00)	(-)	(16.00)
	Mr. Sumit Mazumder	-	-	-	-
		(-)	(22.00)	(-)	(22.00)

Note No. : 36 Other disclosures (contd.)

10. Related party disclosures (contd.)

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(iv)	**Sitting fees**				
	Mr. Dinesh Kumar Mittal	-	7.80	-	7.80
		(-)	(5.20)	(-)	(5.20)
	Mr. Krishnava Dutt	-	6.75	-	6.75
		(-)	(4.80)	(-)	(4.80)
	Ms. Veena Hingarh	-	6.45	-	6.45
		(-)	(4.20)	(-)	(4.20)
	Ms. Mamta Binani	-	7.95	-	7.95
		(-)	(8.00)	(-)	(8.00)
	Mr. Naresh Dayal	-	8.00	-	8.00
		(-)	(5.60)	(-)	(5.60)
	Mr. Sumit Mazumder	-	-	-	-
		(-)	(3.40)	(-)	(3.40)
(v)	**Rendering of services**				
	Ms. Avantika Saraogi	-	-	36.00	36.00
		(-)	(-)	(30.55)	(30.55)
	Argus Partners	-	-	-	-
		(-)	(-)	(7.06)	(7.06)
(vi)	**Purchase of property, plant and equipment**				
	Ganna Agro Pvt. Ltd.	-	-	110.05	110.05
		(-)	(-)	(-)	(-)
(vii)	**Dividend received from an associate (gross)**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(1491.98)	(-)	(-)	(1491.98)
(viii)	**Recovery towards deputation of an employee**				
	Visual Percept Solar Projects Pvt. Ltd.	-	-	-	-
		(5.60)	(-)	(-)	(5.60)
(ix)	**Rental income**				
	Ganna Agro Pvt. Ltd.	-	-	-	-
		(-)	(-)	(14.30)	(14.30)
(x)	**Expenses relating to employees defined benefit plan**				
	The Balrampur Sugar Company Limited Employees Gratuity Fund	-	-	1817.25	1817.25
		(-)	(-)	(1268.83)	(1268.83)

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 36 Other disclosures (contd.)

10. Related party disclosures (contd.)

(₹ in Lakhs)

Sl. No.	Nature of transaction / Name of the related party	Associates	Key Management Personnel (KMP)	Other related parties	Total
(xi)	**Interim dividend paid to equity shareholders (gross)**				
	Mr. Vivek Saraogi	-	1028.96	-	1028.96
		(-)	(1028.96)	(-)	(1028.96)
	Mr. Dinesh Kumar Mittal	-	0.04	-	0.04
		(-)	(-)	(-)	(-)
	Dr. Arvind Krishna Saxena	-	-	-	-
		(-)	(0.38)	(-)	(0.38)
	Ms. Sumedha Saraogi	-	-	551.08	551.08
		(-)	(-)	(551.08)	(551.08)
	Ms. Avantika Saraogi	-	-	79.68	79.68
		(-)	(-)	(79.68)	(79.68)
	Ms. Stuti Dhanuka	-	-	107.11	107.11
		(-)	(-)	(107.11)	(107.11)
	Meenakshi Mercantiles Ltd.	-	-	162.11	162.11
		(-)	(-)	(162.11)	(162.11)
	Udaipur Cotton Mills Co. Ltd.	-	-	142.24	142.24
		(-)	(-)	(142.24)	(142.24)
	Novel Suppliers Pvt. Ltd.	-	-	88.79	88.79
		(-)	(-)	(88.79)	(88.79)
	Vivek Saraogi (HUF)	-	-	3.69	3.69
		(-)	(-)	(3.69)	(3.69)
	Ms. Nita Gupta	-	-	0.01	0.01
		(-)	(-)	(-)	(-)
	Mr. Apurv Gupta	-	-	-*	-*
		(-)	(-)	(-)	(-)
(xii)	**Balance outstanding:**				
(a)	**Investments in associate accounted for using the equity method**				
	Investment in equity instruments	20134.62	-	-	20134.62
		(17256.12)	(-)	(-)	(17256.12)
(b)	**Payables :**				
	Remuneration payable	-	296.00	-	296.00
		(-)	(360.00)	(-)	(360.00)
	Commission (net of TDS)	-	99.00	-	99.00
		(-)	(99.00)	(-)	(99.00)
	Contribution to employees defined benefit plan	-	-	117.25	117.25
		(-)	(-)	(118.83)	(118.83)

* Shown as Nil due to rounding off

Footnote:

Figures in bracket pertains to previous year

Notes forming part of the Consolidated Financial Statements

for the year ended 31st March, 2023

Note No. : 36 Other disclosures (contd.)

10. Related party disclosures (contd.)

(c) Details of Remuneration paid/payable to KMP:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023					Year ended 31st March, 2022				
	Mr. Vivek Saraogi	Mr. Praveen Gupta	Dr. Arvind Krishna Saxena	Other Directors	Total	Mr. Vivek Saraogi	Mr. Praveen Gupta	Dr. Arvind Krishna Saxena	Other Directors	Total
Short-term employee benefits										
- Salary	360.00	63.82	12.26	-	436.08	240.00	-	29.46	-	269.46
- Sitting fees	-	-	-	36.95	36.95	-	-	-	31.20	31.20
- Performance linked incentive/ commission	296.00	-	-	110.00	406.00	360.00	-	-	110.00	470.00
- Perquisites	1.93	3.03	1.39	-	6.35	1.93	-	4.49	-	6.42
	657.93	**66.85**	**13.65**	**146.95**	**885.38**	**601.93**	**-**	**33.95**	**141.20**	**777.08**
Post-employment benefits										
- Contribution to provident fund (including pension)	43.20	3.58	1.03	-	47.81	28.80	-	3.02	-	31.82
	701.13	**70.43**	**14.68**	**146.95**	**933.19**	**630.73**	**-**	**36.97**	**141.20**	**808.90**

Footnotes:

(i) The above remuneration does not include provisions for gratuity and leave encashment, which are determined for the Company as a whole.

(ii) Remuneration to Dr. Arvind Krishna Saxena excludes gratuity payment amounting to ₹24.81 Lakhs pursuant to settlement during the year which has been reimbursed by The Balrampur Sugar Co. Ltd. Employees Gratuity Fund.

(d) The transactions with related parties have been entered at an amount that is not materially different from those on normal commercial terms.

(e) The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provision for bad or doubtful debts has been recognized in the current year and previous year concerning the amounts owed by related parties.

(f) The remuneration of directors has been determined by the Nomination & Remuneration Committee and approved by the shareholders of the Company, taking into account the performance of individuals and market trends.

Note No. : 36 Other disclosures (contd.)

11. Revenue

The details of performance obligations in terms of Ind AS 115 - "Revenue from contracts with customers" are as follows:

(i) Sugar

The Sugar segment of the Company principally generates revenue from the sale of sugar, its by-products, and co-generated power to distribution companies.

Domestic sales of sugar are made on ex-factory terms or agreed terms to wholesale, institutional buyers, or merchant exporters within the country and revenue is recognized when the goods have been shipped or delivered to the buyer's specific location (as per agreed terms). Domestic sugar sales are mainly done on advance payment terms.

Export sales of sugar to merchant exporters are done on ex-factory or delivered basis in terms of the agreement, and revenue is recognized when the goods have been shipped or delivered to the buyer's specific location (as per agreed terms). The sale price and payment terms are fixed as per contracted terms.

Revenue from co-generated power is recognised on power supplies to distribution companies from the Company's facilities in accordance with the sale price, payment terms, and other conditions as per the Power Purchase Agreements ("PPA").

Bagasse and pressmud are generally sold on advance payment terms to customers on an ex-factory basis as per the agreement, and revenue is recognized when the goods have been shipped to the buyer.

(ii) Distillery

The distillery segment of the Company principally generates revenue from the sale of industrial alcohol, which mainly constitutes ethanol sold under contracts with Public and Private Oil Marketing Companies ("OMCs") and other products to institutional buyers, and co-generated power to distribution companies.

Ethanol is sold on a delivered basis as per the agreement, and revenue is recognized when the goods have been delivered to the Public and Private OMC's locations (as per agreed terms), inclusive of all duties, levies, taxes, charges, etc. The sale price is determined based on the Expression of Interest ("EOI") or Tender floated in case of Public OMCs and on agreement in case of Private OMCs. The payment terms in the case of Public and Private OMCs are within 30 days and 15 days respectively after the delivery of the material and submission of original invoices.

Other products like Rectified Spirit, Extra Neutral Alcohol (ENA), Dry Ice, etc., are sold in bulk to institutional buyers on an ex-factory basis as per agreed terms. Revenue is recognized when goods have been shipped to the buyer's specific location as per agreed terms. The payment terms are fixed as per the Company's credit policy, which is up to 45 days.

Revenue from co-generated power is recognised on power supplies to distribution companies from the Company's facilities in accordance with the sale price, payment terms, and other conditions as per the Power Purchase Agreements ("PPA").

(iii) Others

The Other segment principally generates revenue from the sale of agricultural fertilizers such as soil conditioner, granulated potash, etc.

Sale of agricultural fertilizers are done on an ex-factory or delivered basis in terms of the agreement, and revenue is recognized when the goods have been shipped or delivered to the buyer's specific location (as per agreed terms). The sale price and payment terms are fixed as per contracted terms and the Company's credit policy, which is up to 60 days.

Note No. : 36 Other disclosures (contd.)

12. Segment information

(a) The Chairman and Managing Director has been identified as the Company's Chief Operating Decision Maker (CODM) in terms of Ind AS 108 - "Operating Segments". The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by Business segments. The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed.

In addition, revenue and expenses have been allocated to a segment based on the segment's operating activities. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable". Segment assets and segment liabilities represent assets and liabilities of respective segment. Investments, tax related assets/ liabilities and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as " Unallocable".

(b) Revenue and results from operations based on reportable segments:

(₹ in Lakhs)

Particulars	Sugar	Distillery	Others	Adjustments / Elimination	Total
Revenue					
External sales	348807.11	115329.66	2449.40	-	466586.17
	(375711.69)	(99669.80)	(1944.99)	(-)	(477326.48)
Inter segment sales	85050.34	1067.89	-	(86118.23)	-
	(43310.23)	(471.29)	(15.46)	(-)(43796.98)	(-)
Other operating revenue	-	-	-	-	-
	(7276.20)	(-)	(-)	(-)	(7276.20)
Revenue from operations	**433857.45**	**116397.55**	**2449.40**	**(86118.23)**	**466586.17**
	(426298.12)	(100141.09)	(1960.45)	(-)(43796.98)	(484602.68)
Segment profit	**23848.61**	**26130.29**	**1309.63**	**-**	**51288.53**
	(29630.30)	(38236.31)	(959.51)	(-)	(68826.12)
Unallocable expenditure net	-	-	-	-	6755.71
of unallocable income *	(-)	(-)	(-)	(-)	(6941.25)
Finance costs					4864.68
					(3086.89)
Profit before share of profit of associates, exceptional items and tax					**39668.14**
					(58797.98)
Share of profit of associates					1163.33
					(1194.09)
Profit before exceptional items and tax					**40831.47**
					(59992.07)
Exceptional items					-
					(-)(120.37)
Profit before tax					**40831.47**
					(59871.70)
Tax					
Current tax					**6941.72**
					(11465.79)
Deferred tax					**5473.05**
					(1942.36)
Profit for the year					**28416.70**
					(46463.55)

* includes interest income - ₹83.53 Lakhs (Previous Year: ₹38.42 Lakhs)

Note No. : 36 Other disclosures (contd.)

12. Segment information (contd.)

Footnotes:

(i) Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments/eliminations' column. Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed at Company level. Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to the segments as they are also managed at Company level.

(ii) Transactions between segments are primarily transferred at cost/ transaction price based on current estimated market prices. Common costs are apportioned on reasonable basis.

(iii) Figures in bracket pertains to previous year.

(c) Other information

(₹ in Lakhs)

Particulars	Sugar	Distillery	Others	Unallocable	Total
Segment assets	353569.40	147449.99	2085.71	39746.52	542851.62
	(330425.24)	(93562.16)	(2181.06)	(23024.44)	(449192.90)
Segment liabilities	42316.06	6821.17	94.21	204062.59	253294.03
	(35628.85)	(5424.28)	(116.90)	(131051.52)	(172221.55)
Capital expenditure *	43715.76	42951.04	24.37	6926.99	93618.16
	(14208.07)	(20205.45)	(58.38)	(912.84)	(35384.74)
Depreciation and amortisation	8134.06	4437.51	91.90	286.83	12950.30
	(7679.41)	(3374.62)	(87.09)	(245.37)	(11386.49)
Non cash expenses other than depreciation and amortisation	693.33	519.64	12.45	(117.92)	1107.50
	(400.73)	(444.47)	(1.06)	(-)(21.98)	(824.28)
Investment in associates	-	-	-	20134.62	20134.62
	(-)	(-)	(-)	(17256.12)	(17256.12)
(Loss)/Gain on deemed disposal of investment in an associate	-	-	-	(28.79)	(28.79)
	(-)	(-)	(-)	(2.42)	(2.42)
Share of profit of associates (including other comprehensive income)	-	-	-	887.97	887.97
	(-)	(-)	(-)	(1049.88)	(1049.88)

*Capital expenditure consists of additions to property, plant and equipment, capital work-in-progress and intangible assets and includes depreciation, finance costs and other pre-operative expenses capitalised.

Footnote:

Figures in bracket pertains to previous year

(d) In the following table, revenue is disaggregated by geographical market, major products/service lines and timing of revenue recognition and includes a reconciliation of the disaggregated revenue with the Company's reportable segments.

(₹ in Lakhs)

Particulars	Domestic		Total reportable segment	All other segment	Total
	Sugar	Distillery			
Geographical markets					
Within India	295861.55	115329.66	411191.21	2449.40	413640.61
	(357731.17)	(99669.80)	(457400.97)	(1944.99)	(459345.96)
Within India to merchant exporter	52945.56	-	52945.56	-	52945.56
	(17980.52)	(-)	(17980.52)	(-)	(17980.52)
Total	**348807.11**	**115329.66**	**464136.77**	**2449.40**	**466586.17**
	(375711.69)	(99669.80)	(475381.49)	(1944.99)	(477326.48)

Note No. : 36 Other disclosures (contd.)

12. Segment information (contd.)

(₹ in Lakhs)

Particulars	Domestic		Total reportable segment	All other segment	Total
	Sugar	Distillery			
Major product					
Sugar (including Raw Sugar)	325097.26	-	325097.26	-	325097.26
	(356255.26)	(-)	(356255.26)	(-)	(356255.26)
Industrial alcohol	-	113227.65	113227.65	-	113227.65
	(-)	(97462.00)	(97462.00)	(-)	(97462.00)
Co-generated power	10123.93	708.13	10832.06	-	10832.06
	(10857.17)	(683.61)	(11540.78)	(-)	(11540.78)
Bagasse	9924.71	-	9924.71	-	9924.71
	(7828.93)	(-)	(7828.93)	(-)	(7828.93)
Others	3661.21	1393.88	5055.09	2449.40	7504.49
	(770.33)	(1524.19)	(2294.52)	(1944.99)	(4239.51)
Total	**348807.11**	**115329.66**	**464136.77**	**2449.40**	**466586.17**
	(375711.69)	(99669.80)	(475381.49)	(1944.99)	(477326.48)
Timing of revenue recognition					
Products and services transferred					
- at a point in time	348807.11	115329.66	464136.77	2449.40	466586.17
	(375711.69)	(99669.80)	(475381.49)	(1944.99)	(477326.48)
- over time	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Total	**348807.11**	**115329.66**	**464136.77**	**2449.40**	**466586.17**
	(375711.69)	(99669.80)	(475381.49)	(1944.99)	(477326.48)

Figures in bracket pertains to previous year

(e) **Information about major customers:**

Revenues from one customer of the Company's Sugar segment was ₹52945.56 Lakhs representing approximately 11.35% of the Company's total revenues for the year ended 31 March 2023.

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31st March, 2022.

13. Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has neither given any loan nor has advanced any amount either during the year ended 31st March, 2023 or 31st March, 2022. Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

14. During the year ended 31st March 2022, the Company sold its entire shareholding of 45.00% in its Associate Company viz. Visual Percept Solar Projects Pvt. Ltd. ("VPSPPL") consisting of 7852500 equity shares of ₹10/- each at an agreed consideration of ₹7317.71 Lakhs. Accordingly, VPSPPL ceased to be an Associate of the Company w.e.f. 15th February, 2022.

The resultant loss on sale of aforesaid investment aggregating to ₹120.37 Lakhs, [net of transaction costs amounting to ₹80.83 Lakhs and considering the associate's share of profit recognised till the date of sale] has been considered and shown as "Exceptional items" during the year ended 31st March 2022.

15. The Board of Directors of the Company at its meeting held on 15th September, 2017 considered and approved cumulative investment of ₹17500.00 Lakhs in tranches over a period of five years in Auxilo Finserve Private Limited ("AFPL"), an unlisted NBFC based in India and engaged in financing activities in education sector.

Note No. : 36 Other disclosures (contd.)

The Company has so far acquired 165292000 (Previous Year: 155000000) Equity shares of AFPL having face value ₹10/- each with total cost of ₹17499.64 Lakhs (Previous Year: ₹15750.00 Lakhs) on preferential issue basis constituting 43.93% (Previous Year: 44.36%) as at 31st March, 2023.

Though, it's proportionate shareholding has come down to 43.93% as at 31st March, 2023 due to conversion of Optionally Convertible Preference shares into Equity shares and allotment of Equity shares under ESOP scheme, AFPL continues to be an associate of the Company. (Loss)/Gain in proportionate net asset value of equity share held by the Company amounting to ₹(28.79) Lakhs (Previous Year: ₹2.42 Lakhs) consequent to said dilution in equity shareholding has been recognised under the 'Equity method of accounting' according to "Ind AS" - 28 and included under "Other Expenses" and "Other income" respectively.

16. Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2023

(₹ in Lakhs)

Sl. No.	Particulars	Refer note no.	Amortised cost	FVTPL	Total
(1)	**Financial assets**				
(a)	Investments	6(ii)	-	6125.06	6125.06
(b)	Trade receivables	12	12482.31	-	12482.31
(c)	Cash and cash equivalents	13	30.99	-	30.99
(d)	Bank balances other than cash and cash equivalents	14	1158.51	-	1158.51
(e)	Other financial assets	7(i), 7(ii)	1227.79	-	1227.79
	Total		**14899.60**	**6125.06**	**21024.66**
(2)	**Financial liabilities**				
(a)	Borrowings	18(i)18(ii)	187862.05	-	187862.05
(b)	Lease liabilities	19	99.30	-	99.30
(c)	Trade and other payables	24	35187.20	-	35187.20
(d)	Other financial liabilities	20	12169.26	-	12169.26
	Total		**235317.81**	**-**	**235317.81**

As at 31st March, 2022

(₹ in Lakhs)

Sl. No.	Particulars	Refer note no.	Amortised cost	FVTPL	Total
(1)	**Financial assets**				
(a)	Investments	6(ii)	-	-	-
(b)	Trade receivables	12	13672.39	-	13672.39
(c)	Cash and cash equivalents	13	32.18	-	32.18
(d)	Bank balances other than cash and cash equivalents	14	295.40	-	295.40
(e)	Other financial assets	7(i) , 7(ii)	479.43	-	479.43
	Total		**14479.40**	**-**	**14479.40**
(2)	**Financial liabilities**				
(a)	Borrowings	18(i),18(ii)	120962.90	-	120962.90
(b)	Lease liabilities	19	108.35	-	108.35
(c)	Trade and other payables	24	30828.50	-	30828.50
(d)	Other financial liabilities	20	7542.21	-	7542.21
	Total		**159441.96**	**-**	**159441.96**

Note No. : 36 Other disclosures (contd.)

16. Financial instruments - Accounting, Classification and Fair value measurements (contd.)

B. Fair value hierarchy

The fair value of the financial assets, financial liabilities are included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other current financial assets, short term borrowings from banks and financial institutions, trade and other payables, and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

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 prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value hierarchy of assets measured at fair value on a recurring basis as at 31st March 2023:

(₹ in Lakhs)

Particulars	Refer note no.	Level 1	Level 2	Level 3	Total
FVTPL - Financial asset -	6(ii)	6125.06	-	-	6125.06
Investments in units of mutual funds		(-)	(-)	(-)	(-)
		6125.06	**-**	**-**	**6125.06**
		(-)	(-)	(-)	(-)

Footnote:

Figures in bracket pertains to previous year

17. Financial risk management objectives and policies

The Company's principal financial liabilities includes borrowings, lease liabilities, trade payables, other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets that derive mainly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management under the supervision of the Board of Directors oversees the management of these risks. The Company's financial risks 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. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below:

(a) 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,

Note No. : 36 Other disclosures (contd.)

17. Financial risk management objectives and policies (contd.)

such as regulatory risk and commodity price risk. Financial instruments affected by market risk include borrowings and investments.

(i) 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 borrowings obligations.

Sugar is produced over a period of 5 to 6 months and is required to be stored for sale over a period of 12 months, thereby resulting in very high requirement of working capital. Cost of funding depends on the overall fiscal environment in the country as well as the Company's credit worthiness /credit ratings. Failure to maintain credit rating can adversely affect the cost of funds.

To mitigate the interest rate risk, the Company maintains an impeccable track record and ensures long term relation with the lenders to raise adequate funds at competitive rates. Company has access to low cost borrowings because of its healthy Balance Sheet. Moreover, Company deals with four banks thereby reducing the risk significantly. In addition, steady revenue from distillery business reduces the overall requirements of working capital.

As at 31st March 2023, the Company has outstanding non-current borrowings, aggregating to ₹61705.12 Lakhs (Previous Year: ₹25695.15 Lakhs). Of these, non-current borrowings of ₹52578.10 Lakhs (Previous Year: ₹9266.50 Lakhs) are linked to variable interest rates and among them, non-current borrowings of ₹38610.51 Lakhs(Previous Year: ₹9266.50 Lakhs) are covered under interest subvention scheme [For details of the Company's long-term and short-term loans and borrowings, including interest rate profiles, Refer note no. 18(i), 18(ii) and footnote (ii) to note no. 36(8)].

Thus, 50 bps increase / decrease in the interest rate will not have a material impact in the Statement of Profit and Loss.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. To mitigate foreign exchange risk, the Company covers its position through permitted hedging methods. There was no foreign currency exposure as at 31st March, 2023 and 31st March, 2022.

(iii) Commodity price risk

The major segment in which the Company operates, which accounts for around 75% of the Company's total revenue, is Sugar and as such the Company is exposed to commodity price risk.

The Government announces domestic sales quotas on a monthly basis. Moreover, there are not many active platforms in India that allow hedging of domestic sugar sales. Additionally, the Central Government had announced a Minimum Sale Price (MSP) for the sale of sugar in the open market by every sugar mill. Currently set at ₹31/- per kilogram, this MSP acts as a minimum floor price for the sale of sugar by the sugar mills in India.

Normally, the Company does not physically export sugar. However, the Company has a policy in place to hedge the underlying exposure associated with exports.

The pricing methodology for ethanol remained unchanged. Ethanol prices (excluding ethanol produced from grains) are announced by the Central Government which are based on Fair and Remunerative Price (FRP) of sugarcane, cost of production of sugar and realisation of by-products.

Price of Ethanol produced from grains are announced annually by the Oil Marketing Companies (OMCs).

(iv) Other price risk:

The Board of Directors reviews and approves equity investment decisions. Company's equity risk exposure is limited to cost and these are subject to impairment testing as per the policies followed in this respect. Accordingly, other price risk is not expected to be material.

Note No. : 36 Other disclosures (contd.)

17. Financial risk management objectives and policies (contd.)

(b) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including borrowings from banks and financial institutions. The Company's sugar sales are mostly on cash. Co-generated Power is sold to government entities and ethanol is sold under contracts to Public and Private Oil Marketing Companies ("OMCs"). The Company keeps a close watch on the realisation of the outstanding amounts and has not experienced any significant default.

The Company uses judgment in making the assumptions and selecting the inputs for assessing the impairment calculation, based on the Company's past history, existing market conditions, and future estimates at the end of each balance sheet date. Impairment allowance against financial assets is created and subsequently written off when there is no reasonable expectation of recovery. However, the Company continues to recover the receivables. Where recoveries are made, these are recognised in the Consolidated Statement of Profit and Loss.

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing; Refer note no. 36(11) for credit terms.

An impairment analysis is performed at each balance sheet date on an individual basis for major customers. Large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the carrying value of each financial assets class disclosed under note no. 12.

The following table summarizes the change in the loss allowances measured using life time expected credit loss model for trade receivables:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening Balance	-	97.63
Utilised during the year	-	35.27
Reversed during the year upon settlement	-	62.36
Closing Balance	**-**	**-**
- Current	-	-
- Non-current	-	-

(ii) Balances with banks

Credit risk for balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the Consolidated balance sheet as at 31st March, 2023 and 31st March, 2022 is the carrying amounts as stated under Note No. 13 and 14 and fixed deposits with banks included under note no. 7(i).

(c) Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to meet the funding requirement and maintain flexibility in this respect through the use of cash credit facilities, short term loans and commercial papers.

The table below summarises the carrying value and contractual cash flows of Company's financial liabilities :

(₹ in Lakhs)

Sl. No.	Particulars	Carrying value	Contractual cash flows	Less than 1 year	Between 1 to 5 years	More than 5 years
A.	As at 31st March, 2023					
(i)	Borrowings					
	- Current maturities of long - term debt	18607.62	18607.62	18607.62	-	-

Note No. : 36 Other disclosures (contd.)

17. Financial risk management objectives and policies (contd.)

(₹ in Lakhs)

Sl. No.	Particulars	Carrying value	Contractual cash flows	Less than 1 year	Between 1 to 5 years	More than 5 years
	- Current - Loans repayable on demand	126379.46	126379.46	126379.46	-	-
		144987.08	144987.08	144987.08	-	-
	- Non-current	42874.97	43129.91	-	43129.91	-
		187862.05	**188116.99**	**144987.08**	**43129.91**	**-**
(ii)	Lease liabilities	99.30	133.07	16.63	66.53	49.91
(iii)	Trade and other payables	35187.20	35187.20	35187.20	-	-
(iv)	Other financial liabilities	12169.26	12169.26	12169.26	-	-
	Total	**235317.81**	**235606.52**	**192360.17**	**43196.44**	**49.91**
B.	**As at 31st March, 2022**					
(i)	Borrowings					
	- Current maturities of long -term debt	10557.62	10557.62	10557.62	-	-
	- Current - Loans repayable on demand	95985.41	95985.41	95985.41	-	-
		106543.03	106543.03	106543.03	-	-
	- Non-current	14419.87	15137.53	-	15137.53	-
		120962.90	**121680.56**	**106543.03**	**15137.53**	-
(ii)	Lease liabilities	108.35	149.70	16.63	66.53	66.54
(iii)	Trade and other payables	30828.50	30828.50	30828.50	-	-
(iv)	Other financial liabilities	7542.21	7542.21	7542.21	-	-
	Total	**159441.96**	**160200.97**	**144930.37**	**15204.06**	**66.54**

The Company has current financial and non-financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

18. Capital Management

(a) Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the Company's equity shareholders. The Company's objective while managing capital is to safeguard its ability to continue as a going concern and continue to provide returns to shareholders and other stakeholders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the financial covenants' requirements and return of capital to shareholders.

To achieve this overall objective, the Company's capital management, amongst other things, also aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. The Company has complied with these covenants. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2023 and 31st March, 2022.

The Company monitors capital using debt-equity ratio, which is total long-term debt divided by total equity.

(₹ in Lakhs, unless stated otherwise)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total long-term debt (including lease liabilities and current maturities of long term debt)	61804.42	25803.50
Total equity	289557.59	276971.35
Debt to equity ratio	0.21	0.09

Note No. : 36 Other disclosures (contd.)

18. Capital Management (contd.)

(b) Dividend on equity shares declared and paid:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Year to which interim dividend relates	2022-23	2021-22
Interim dividend paid per equity share (₹)	2.50	2.50
Gross amount of Interim dividend (₹ in Lakhs)	5084.36	5101.00

19. Other Statutory information

(i) Details of balance outstanding with struck off companies as at 31st March 2023:

(₹ in Lakhs)

Name of struck off companies	Relationship with struck off Company	Nature of transactions with struck off Company	Balance outstanding	
			As at 31st March, 2023	As at 31st March, 2022
Sureka Equipments Pvt. Ltd.	Vendor	Purchases	No transaction during the year	-

(ii) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Additional Information as required under Schedule III to the Companies Act, 2013 :

As at 31st March, 2023 :

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(₹ in Lakhs)	As % of consolidated profit or loss	(₹ in Lakhs)	As % of consolidated other comprehensive income	(₹ in Lakhs)	As % of consolidated total comprehensive income	(₹ in Lakhs)
Parent								
Balrampur Chini Mills Ltd.	99.93	269422.97	99.97	27524.37	99.99	(622.33)	99.97	26902.04
Associates - (Investment as per equity method)								
Auxilo Finserve Pvt. Ltd.	0.07	20134.62	0.03	892.33	0.01	(4.36)	0.03	887.97
	100.00	**289557.59**	**100.00**	**28416.70**	**100.00**	**(626.69)**	**100.00**	**27790.01**

Note No. : 36 Other disclosures (contd.)

19. Other Statutory information (contd.)

As at 31st March, 2022 :

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(₹ in Lakhs)	As % of consolidated profit or loss	(₹ in Lakhs)	As % of consolidated other comprehensive income	(₹ in Lakhs)	As % of consolidated total comprehensive income	(₹ in Lakhs)
Parent								
Balrampur Chini Mills Ltd.	93.77	259715.23	97.73	45408.44	98.58	(361.79)	97.72	45046.65
Associates - (Investment as per equity method)								
Auxilo Finserve Pvt. Ltd.	6.23	17256.12	0.98	457.54	1.30	(4.78)	0.98	452.76
Visual Percept Solar Projects Pvt. Ltd.	-	-	1.29	597.57	0.12	(0.45)	1.30	597.12
	100.00	**276971.35**	**100.00**	**46463.55**	**100.00**	**(367.02)**	**100.00**	**46096.53**

20. The previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with those of the current year's figures.

As per our report of even date attached
For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

For and on behalf of the Board of Directors

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Date: 11th May, 2023

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures as at 31st March, 2023 :

Part "A": Subsidiaries

Sl. No.	Particulars	Detailed Information	
		As at 31st March, 2023	As at 31st March, 2022
1.	Name of the subsidiary *	Not Applicable	Not Applicable
2.	The date since when subsidiary was acquired		
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		
5.	Share capital (₹ in Lakhs)		
6.	Reserves and surplus (₹ in Lakhs)		
7.	Total assets (₹ in Lakhs)		
8.	Total Liabilities (₹ in Lakhs)		
9.	Investments (₹ in Lakhs)		
10.	Turnover (₹ in Lakhs)		
11.	(Loss)/Profit before taxation (₹ in Lakhs)		
12.	Provision for taxation (₹ in Lakhs)		
13.	(Loss)/Profit after taxation (₹ in Lakhs)		
14.	Proposed Dividend (₹ in Lakhs)		
15.	Extent of shareholding (in %)		

* There were no subsidiary of the Company as at 31st March, 2023 and 31st March, 2022.

Notes:

(i)	Names of subsidiaries which are yet to commence operations	Not applicable	Not applicable
(ii)	Names of subsidiaries which have been liquidated or sold during the year	Not applicable	Not applicable

Form AOC-I (contd.)

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Part "B": Associates and Joint Ventures

Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associates Companies.

Sl. No.	Particulars	Detailed Information		
		As at 31st March, 2023	As at 31st March, 2022	
1.	Name of Associates ^	Auxilo Finserve Pvt. Ltd.	Auxilo Finserve Pvt. Ltd.	Visual Percept Solar Projects Pvt. Ltd.
2.	Latest audited Balance Sheet Date	31/03/23	31/03/22	15/02/22
3.	Date on which the Associate was associated or acquired	20/03/18	20/03/18	24/01/17
4.	Shares of Associate held by the Company on the year end			
	- Number of equity shares	165292000	155000000	-
	- Amount of Investment in Associates (₹ in Lakhs)	17499.64	15750.00	-
	- Extent of shareholding (in %)	43.93%	44.36%	Not applicable
5.	Description of how there is significant influence	By virtue of voting power	By virtue of voting power	Not applicable
6.	Reason why the associate is not consolidated	Not applicable	Not applicable	Not applicable
7.	Networth attributable to shareholding as per latest audited Balance Sheet (₹ in Lakhs)	20134.62	17256.12	-
8.	Profit for the year #			
	i. Considered in Consolidation (₹ in Lakhs) *	1157.65	551.29	597.12
	ii. Not considered in Consolidation (₹ in Lakhs)	1404.29	691.57	733.97

^ There is/was no other associate of the Company during the year/previous year.

includes Other comprehensive income for the year, net of tax.

* net of expenses and tax paid on buy-back of shares and adjustment pertaining to employee stock options.

Notes:

Sl. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
(i)	Names of associates which are yet to commence operations	Not applicable	Not applicable
(ii)	Names of associates which have been liquidated or sold during the year	Not applicable	Visual Percept Solar Projects Pvt. Ltd.
(iii)	The Company does not have any joint venture, hence, disclosure in respect of joint venture is not applicable to the Company.		

For LODHA & CO
Chartered Accountants
Firm's Registration No. - 301051E

sd/-
R. P. Singh
Partner
Membership No. 052438
Place of signature: Kolkata

Date: 11th May, 2023

For and on behalf of the Board of Directors

sd/-
Pramod Patwari
Chief Financial Officer
Place of signature: Kolkata

sd/-
Vivek Saraogi
Chairman and Managing Director
DIN- 00221419
Place of signature: Kolkata

sd/-
Manoj Agarwal
Company Secretary
Place of signature: Kolkata

sd/-
Praveen Gupta
Whole-time Director
DIN- 09651564
Place of signature: Haidergarh

Corporate Information

(as on 11th May, 2023)

Board of Directors

Vivek Saraogi
Chairman and Managing Director

D. K. Mittal (IAS Retd.)
Lead Independent Director

Naresh Dayal (IAS Retd.)
Non-Executive and
Non-Independent Director

Krishnava Dutt
Independent Director

Veena Hingarh
Independent Director

Mamta Binani
Independent Director

Praveen Gupta
Whole-time Director

Chief Financial Officer

Pramod Patwari

Company Secretary

Manoj Agarwal

Corporate Identification Number

L15421WB1975PLC030118

Registered Office

FMC Fortuna, 2nd Floor,
234/3A, A.J.C. Bose Road,
Kolkata 700 020

Website

www.chini.com

Bankers

State Bank of India

HDFC Bank

ICICI Bank

Kotak Mahindra Bank

Statutory Auditors

M/s. Lodha & Co
Chartered Accountants

Registrar and Share Transfer Agent

KFin Technologies Limited
Selenium Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad-500032

Sugar Factories

Unit 1: Balrampur
(Including distillery,
cogeneration and agro units)
Dist: Balrampur, Uttar Pradesh

Unit 2: Babhnan
(Including distillery and
cogeneration units)
Dist: Gonda, Uttar Pradesh

Unit 3: Tulsipur
(Including cogeneration unit)
Dist: Balrampur, Uttar Pradesh

Unit 4: Haidergarh
(Including cogeneration unit)
Dist: Barabanki, Uttar Pradesh

Unit 5: Akbarpur
(Including cogeneration unit)
Dist: Ambedkarnagar, Uttar Pradesh

Unit 6: Rauzagaon
(Including cogeneration unit)
Dist: Ayodhya, Uttar Pradesh

Unit 7: Mankapur
(Including distillery,
cogeneration and agro units)
Dist: Gonda, Uttar Pradesh

Unit 8: Kumbhi
(Including cogeneration unit)
Dist: Lakhimpur Kheri, Uttar Pradesh

Unit 9: Gularia
(Including distillery, cogeneration
and agro units)
Dist: Lakhimpur Kheri, Uttar Pradesh

Unit 10: Maizapur
(Including distillery and
cogeneration units)
Dist: Gonda, Uttar Pradesh

Balrampur
Chini Mills Limited

CIN: L15421WB1975PLC030118

Registered Office

FMC Fortuna, 2nd Floor,
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