



# UTTAM SUGAR MILLS LIMITED

Corporate Office : A-2E, III Floor, CMA Tower, Sector-24, NOIDA-201 301 Uttar Pradesh, India  
Telephone : 0120-4525000 E-mail : uttamsugarnoida@gmail.com

August 26, 2022

**National Stock Exchange of India Ltd.  
Listing Department**  
"Exchange Plaza", Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051

**BSE Limited  
Listing Department**  
P.J. Tower,  
Dalal Street,  
Fort, Mumbai - 400 001  
**Ref. - Scrip Code - 532729**

**Ref. :- Symbol - UTTAMSUGAR**

**Sub:-AGM Updates- Annual Report of the Company and Notice convening 27<sup>th</sup> Annual General Meeting ("AGM")**

Dear Sirs,

In Continuation of our earlier intimation regarding 27<sup>th</sup>Annual General Meeting (AGM) of the Shareholders of the Company scheduled to be held on Friday, 23<sup>rd</sup> September, 2022 at 12.00 noon through VC/OAVM facility, we are sending herewith Annual Report of the Company including Notice of 27<sup>th</sup>AGM for the financial year 2021-22, which is being sent to the shareholders of the Company through electronic mode.

The Notice of the AGM and Annual Report is also being uploaded on the Company's website and can be accessed at [www.uttamsugar.in](http://www.uttamsugar.in).

You are requested to take the same on your records.

Thanking you,

Yours' faithfully,

**For Uttam Sugar Mills Limited**

  
**(RAJESH GARG)**  
**Joint Company Secretary & Compliance Officer**



 Encl: As above



Uttam Sugar Mills Limited

27<sup>th</sup> Annual Report  
2021-22

The best sugar you can buy.

## What UTTAM is

Established in 1960, the Group has grown from a single unit entity to a corporate giant with interests in diverse fields. Uttam's Core team of experienced and qualified professionals have together ensured that the Group has remained at the forefront of industry developments and breakthroughs. We are the biggest turn key projects Sugar plant installation company in India.

Uttam Sugar Mills Limited is committed to produce high quality sugar and value added by-products and strives for continuous improvement in all its activities.

Uttam Management strives to create long term value for its Shareholders.

We also believe in good Corporate Governance which is essential for achieving long term corporate goals. We are committed to implement sound Corporate Governance practices to ensure transparency in the operations.

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## CORPORATE INFORMATION

[CORPORATE IDENTITY NO. (CIN): L99999UR1993PLC032518]

### Board of Directors

**Mr. Raj Kumar Adlakha**

Managing Director

**Mr. Shankar Lal Sharma**

Executive Director

**Mr. G. S. Matta**

Non-Executive Director

**Mr. Narendra Kumar Sawhney**

Independent Director

**Mrs. Rutuja Rajendra More**

Independent Director

**Mr. Jasbir Singh**

Independent Director

**Mr. Ravi Kumar**

Independent Director

(w.e.f. 10.08.2022)

### Key Managerial Personnel

**Mr. G. Ramarathnam**

Chief-Legal and Corporate  
Affairs & Company Secretary

**Mr. Rajesh Garg**

Joint Company Secretary &  
Compliance Officer

**Mr. Sanjay Bhandari**

Chief Financial Officer

### Auditors

**Statutory Auditor**

M/s SSVS & Co.  
Chartered Accountants  
Ghaziabad (UP)

**Secretarial Auditor**

M/s N. K. Rastogi & Associates  
Company Secretaries, Delhi

### Factories

**Unit-1**

**(Sugar, Co-generation &  
Distillery)**

Village Libberheri, Tehsil Roorkee  
District Haridwar,  
Uttarakhand-247667

**Unit-2 (Sugar, Co-generation  
& Distillery)**

Village Barkatpur, Tehsil  
Najibabad District Bijnor (U.P.)

**Unit-3 (Sugar &  
Co-generation)**

Village Khaikheri Tehsil &  
District Muzaffarnagar (U.P.)

**Unit-4 (Sugar &  
Co-generation)**

Village Shermau, Tehsil Nakur  
District Saharanpur (U.P.)

### Registered Office

Village Libberheri, Tehsil  
Roorkee, District Haridwar,  
Uttarakhand – 247667

Website : [www.uttamsugar.in](http://www.uttamsugar.in)

E-mail :

[investorrelation@uttamsugar.in](mailto:investorrelation@uttamsugar.in)

### Corporate Office

A-2E, 3rd Floor, C.M.A. Tower,  
Sector – 24, Noida – 201 301  
(U.P.)

Tel. : 0120 – 4525000

E-mail:

[uttam.secretarial@uttamsugar.com](mailto:uttam.secretarial@uttamsugar.com)

### Bankers

Punjab National Bank  
IDBI Bank Ltd.

Indian Overseas Bank  
State Bank of India

Uttarakhand State Co-operative  
Bank Ltd.

Zila Sahkari Bank Limited  
(Ghaziabad)

Zila Sahkari Bank Limited  
(Bijnor)

Muzaffarnagar District  
Co-operative Bank Ltd.

District Co-operative Bank Ltd.  
(Saharanpur)

District Co-operative Bank Ltd.  
(Bulandshahr)

# OUR MISSION & VISION

## The Desire:

Our Desire is to serve best quality of Sugar to the people and spread sweetness in their lives.

## To Excel:

We want to excel our self by using our years of experience and to refine us as a better corporate leader in the area of Sugar manufacturing.

## MISSION & VISION

## The Determination:

We have a determination to make best quality of Sugar and we assure you the good health.

## To Deliver:

We as a Good Corporate have a Social Responsibility to deliver best products to the Nation.

# OUR MANUFACTURING FACILITIES

## **Libberheri [Unit-1]**

USML set up its first unit at Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand in 2000-01 for manufacturing sugar using Double Sulphitation (DS) process with a capacity of 2,500 TCD along with co-generation facilities of 6 MW of power. The company commenced commercial production on January 12, 2001. In subsequent years, the capacity of the plant was enhanced in phases to 6,250 TCD and co-generation facility to 16 MW of power by 2004, which was subsequently enhanced to 29 MW presently. The company also implemented process up-gradation by installing "Defeco Remelt Phospho Floatation Process" (DRP) with The region is situated in the Gangetic Plain which has ample water supply due to the high water table.

## **Barkatpur [Unit-2]**

The sugar mill at Barkatpur is located in the Tehsil - Nazibabad, District - Bijnor (Uttar Pradesh). It was commissioned in January 2006 at a capacity of 3,500 TCD and since then has been expanded to the present crushing capacity of 7,000 TCD and co-generation facilities of 53 MW. Ethanol production has also commenced operations from 2012 and has installed capacity of 150 Kilo Litres per Day (KLPD) presently. The plant is ideally located with respect to the availability of raw material, water, skilled and unskilled manpower and infrastructural facilities.

## **Khaikheri [Unit-3]**

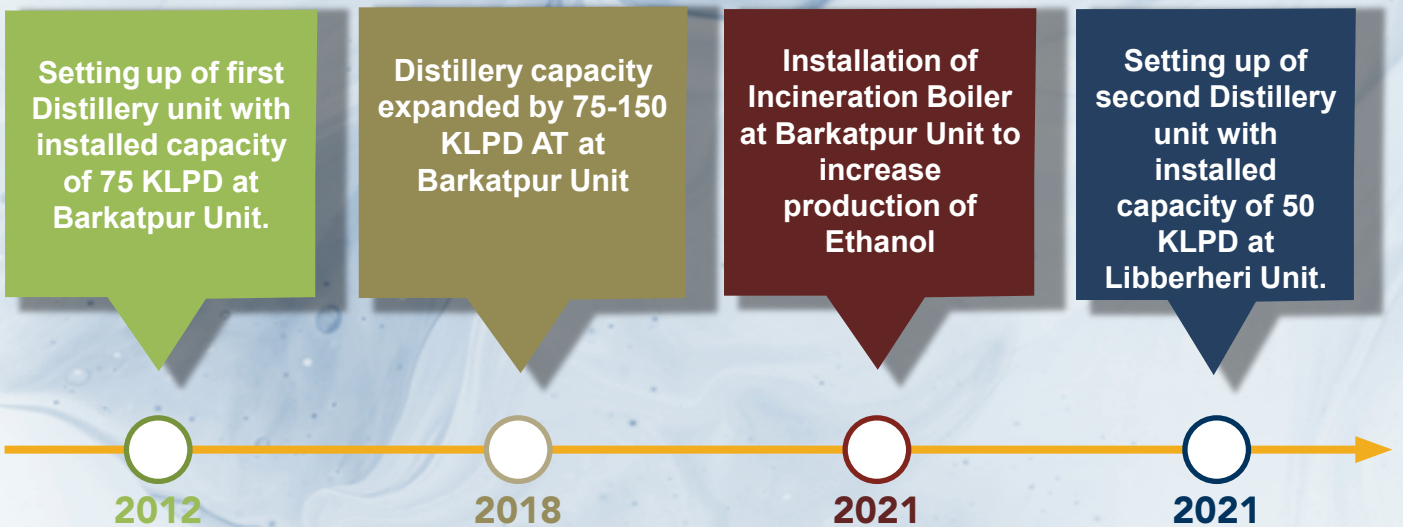
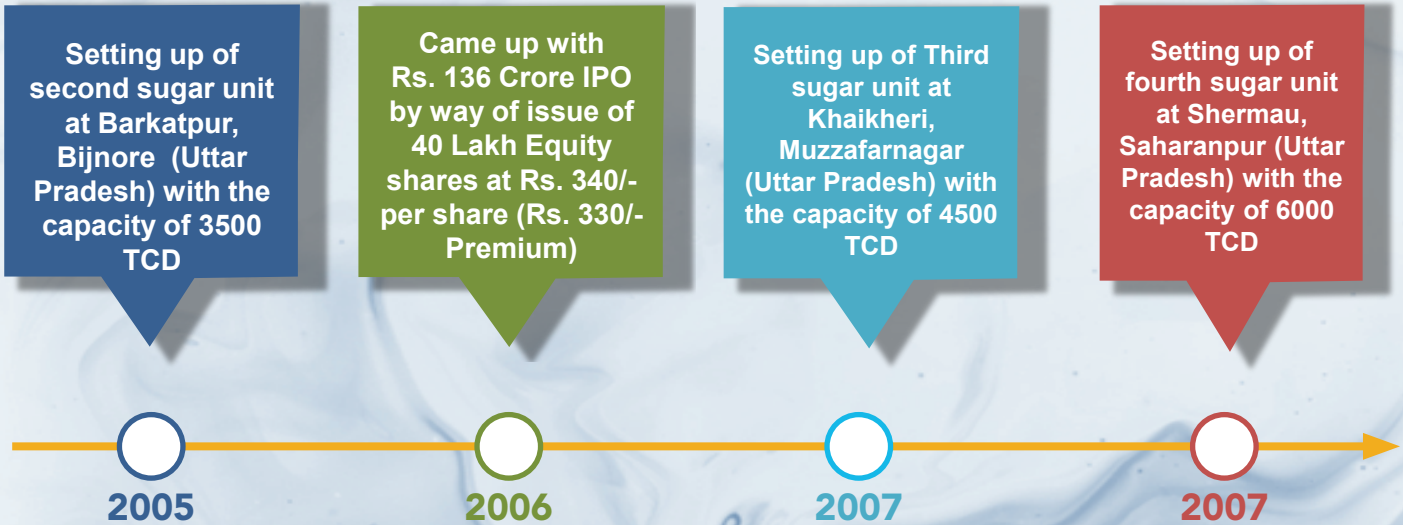
The company set up the sugar mill to manufacture premium quality white sugar with an installed capacity of 4,500 TCD along with co-generation capacity of 15 MW at village Khaikheri, Dist. Muzaffarnagar, Uttar Pradesh. Which commenced production in January 2007.

## **Shermau [Unit-4]**

The company has set up the sugar mill to manufacture premium quality white sugar with installed capacity of 6,000 TCD along with co-generation capacity of 25 MW at village Shermau, Dist. Saharanpur, Uttar Pradesh which commenced production in April 2007.


## OUR GROWTH JOURNEY ACROSS 28 YEARS







# CORPORATE SNAPSHOT

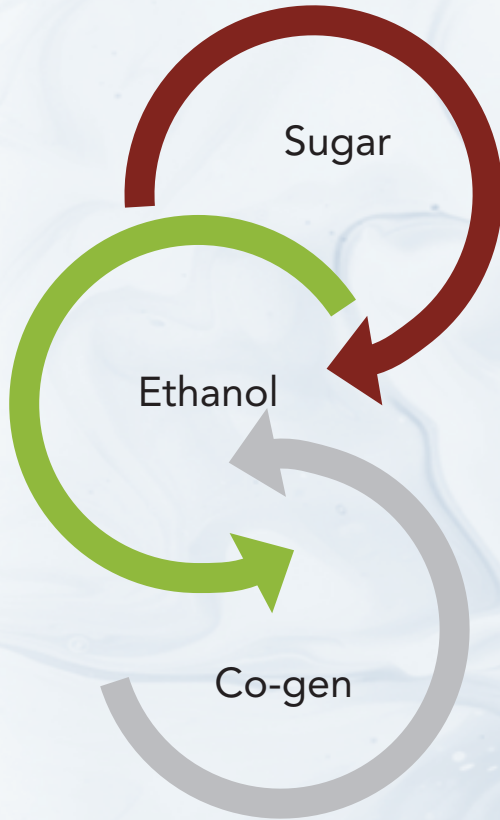


USML is among the leading producer of Double Refined Sugar in the Country. With extensive Research and Development, Uttam Sugar is now producing the best quality sugar in the country. After entering into packaged sugar, company has now moved from 'Selling a Commodity' to 'Marketing of a Product'. We have ten folded our production from 2,000 TCD in 2001 to 23,750 TCD presently. Since our inception, we have striven to achieve total customer satisfaction. It is the policy of the Company to strictly follow the tenets of Uttam Quality.

Established in 1960, the Group has grown from a single unit entity to a corporate giant with interests in diverse fields. Uttam's Core team of experienced and qualified professionals have together ensured that the Group has remained at the forefront of industry developments and breakthroughs. We are the biggest turn key projects Sugar plant installation company in India.

Double Refined and sulphur free, It is made with the latest ion-exchange process resulting in ultra white sugar with a high sucrose content of ICUMSA less than 20. Hygienically manufactured and untouched by human hands it conforms to the euro standards and does not turn yellow with age. FSSC 22000 certified with sucrose I.P. certification, Uttam Sugar Mills Ltd. Is the Flagship company of the Groups which started production in 2001 and is today the market leader in the production of double Refined Sugar, having shown a growth of more than 10 times from 2,000 TCD in 2001 to 23,750 TCD presently. Uttam Sugar comes in both bulk and retail packaging, ranging from 50kg to 1 kg packs and also has festive packs for special occasions. With a widespread distribution network that traverses through all of Northern India, Central India and parts of Western India like Rajasthan and Gujarat, it can be found on the shelves of all the major retail store of the country, In addition to this, our clients are some of the best known as FMCG sector like Rasna, Safal, Patanjali, Britannia, Cadbury & Pepsi, Parle Amazon, Flipkart, Mother Dairy etc. .

# OUR PRODUCTS



The Company have four sugar plants out of which 3 plants are in Uttar Pradesh and 1 plant is in Uttarakhand. These plants have an aggregate sugarcane crushing capacity of 23,750 TCD.



Uttam Sugar also produces "Ethanol" at its Barkatpur and Libberheri Plant and having aggregate installed capacity of 200 Kilo Litres per Day (KLPD). In order to reduce dependence on sugar sector cyclicity, the company has diversified into ethanol production and establishment of 200 KLPD ethanol distilleries.

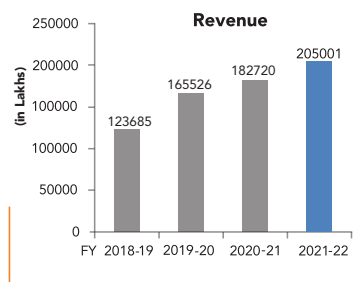


The company also has co-generation - generation using left-over bagasse for which it has signed PPAs with two DISCOMs facilities at all of its plants.



**Barkatpur Unit**

# OUR OPERATION AND FINANCIAL PERFORMANCE IN THE LAST FEW YEARS



## Definition

Revenues include sales & other operating income.

## Why is this measured?

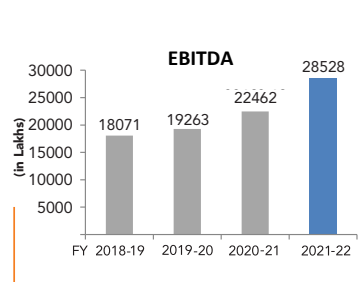
It is an index that measures the Company's ability to report revenue growth, which can, in turn, help the Company amortise expenses effectively, strengthening margins.

## What does it mean?

Revenues increased 12.19% to 205001.45 Lakhs in 2021-22 due to higher export and better realisation besides increase in ethanol sales.

## Value impact

The Company performed better during the year compared to the previous year.



## Definition

Earning before the deduction of interest, depreciation, extraordinary items and tax.

## Why is this measured?

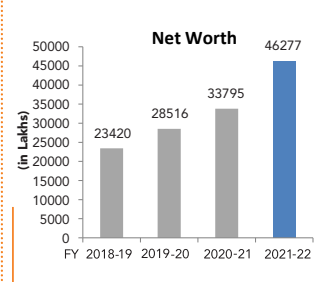
It is an index that showcases the Company's ability to generate a surplus following operating costs.

## What does it mean?

EBITDA increased 27% to 28527.55 Lakhs which helps create a robust growth engine and sustain profits.

## Value impact

The Company generated increase in EBITDA on account of a more remunerative sales mix.



## Definition

This is derived through the accretion of shareholder-owned funds.

## Why is this measured?

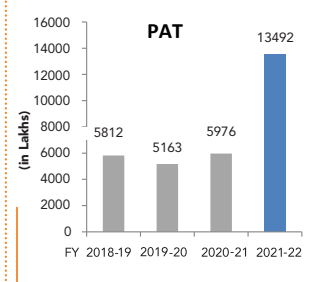
Net worth indicates the financial soundness of the Company – the higher the better.

## What does it mean?

This indicates the borrowing capacity of the Company, influencing the gearing (which influences the cost at which the Company can mobilise debt).

## Value impact

The Company's net worth strengthened 36.93% during the year.



## Definition

Profit earned during the year after deducting all expenses and provisions.

## Why is this measured?

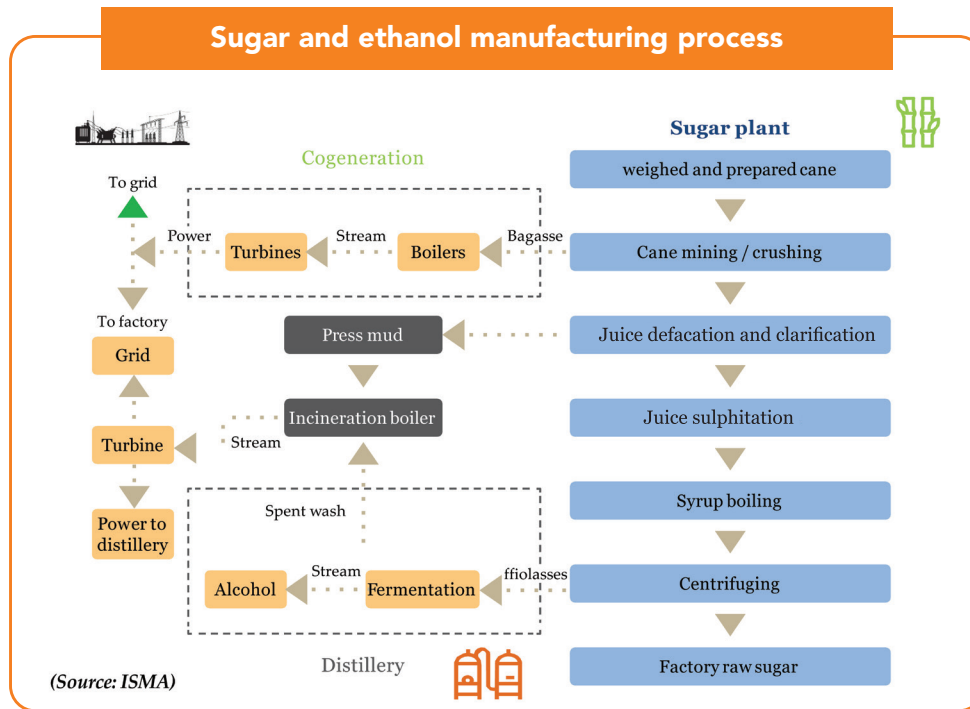
This measure highlights the strength of the business model in enhancing shareholder value.

## What does it mean?

Ensures that adequate surplus is available for reinvestment.

## Value impact

The Company reported a 126% increase in net profit in 2021-22.



## GROWTH OF SUGAR DEMAND IN INDIA

**Population growth:** India’s population is growing at a rate of 0.95% and has reached 1.40 billion in 2022, the highest global population increment. The country is second in the world in terms of population and is expected to surpass China by 2027 to become the most populous country, catalyzing sugar demand.

(Source: macrotrends.net)

**Robust soft drinks consumption:** Soft drinks industry in India is expected to grow annually by 9% between 2021 and 2025, strengthening the offtake of sugar.

(Source: Economic Times)

**Growing confectionery sales:** By 2025, the sugar confectionery market in India is estimated to reach 4.06 billion US\$ (in retail prices), growing at a CAGR of 7.45% per annum for the period 2020-2024, driving sugar demand.

(Source: market research.com)

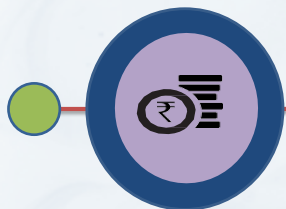
## SUGAR PRODUCTION AND CONSUMPTION (IN MILLION TONNES)

Year	Production	Consumption
2013-14	24.4	24.2
2014-15	28.3	25.6
2015-16	25.1	24.8
2016-17	20.3	24.5
2017-18	32.5	25.4
2018-19	33.2	25.5
2019-20	27.4	25.3
2020-21	31.2	26.6
2021-22	35.0	27.4

# THE VALUE WE CREATED FOR OUR STAKEHOLDERS IN FINANCIAL YEAR 2021-22

## Performance

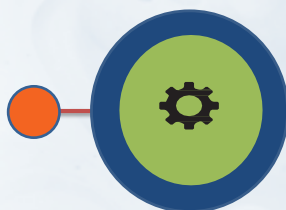
## Value shared with



### FINANCIAL DETAILS

Earnings per share:  
Rs. **35.38**  
Market Cap (as on March 31,2022):  
Rs.**82,855 Lakhs**

**Investor:**  
The Company enriched investor through Capital Appreciation. Market Cap of the Company improving



### REVENUE DETAILS

Revenue from Sugar: Rs. **1,63,290 Lakhs**  
Revenues from Ethanol: Rs. **29,759 Lakhs**  
Revenues from Power: Rs. **5,711 Lakhs**  
Revenues from Others: Rs. **6,241 Lakhs**

**Suppliers:**  
The Company has acquired cane from farmers worth Rs. 1278.01 crore.



### HUMAN EMPLOYED

Number of Employees :  
**3,102**

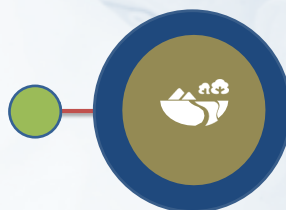
**Employees:**  
The Company provided benefits worth Rs. 86.40 Crore to employees in 2021-22



### SOCIAL CAPITAL

There are number of cane growers associated with the Company and company do train the farmers to improve the productivity of farmers in advanced farming techniques

**Distributors and suppliers:**  
The Company enhanced value for cane farmers through various guidance programs and training programs conducted to train and aware them in context of farming



### NATURAL CAPITAL

Cogenerated power produced:  
**2876.70 Lakhs KWH**  
Ethanol produced:  
**506.15 Lakhs BL**

**Society and Environment:**  
The Company is environmentally responsible and complaint. Benefit to society vide employment and training

# OUR CAPABILITIES...

Units	Libberheri	Barkatpur	Khaikheri	Shermau	Total
Crane Crushing Capacity Per Day (TCD)	6250	7000	4500	6000	23750
Power (MW)	29	53	15	25	122
Exportable Power (MW)	13	26	10	15	64
Ethanol Distillery (KLPD)	50	150	Nil	Nil	200



**Sugar and Distillery Plant– Barkatpur Unit**

## NOTICE OF 27<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 27<sup>th</sup> Annual General Meeting of the Members of Company will be held on Friday, 23<sup>rd</sup> September, 2022 at 12.00 Noon through Video Conferencing / Other Audio Visual Means to transact the following business (es):

### ORDINARY BUSINESS(ES):

#### 1. Adoption of Financial Statements

To receive, consider and adopt the financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 including the audited Balance Sheet as at 31<sup>st</sup> March, 2022, Profit & Loss Statement for the financial year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

#### 2. Declaration of Final Dividend on Preference Shares for the Financial Year ended March 31, 2022

- To declare Final Dividend on 6.50% Non-Cumulative Redeemable Preference Shares (NCRPS) of Face Value of Rs. 100/- (Rupees One Hundred Only) for the Financial Year ended March 31, 2022.
- To declare Final Dividend on 10.00% Non-Cumulative Redeemable Preference Shares (NCRPS) of Face Value of Rs. 100/- (Rupees One Hundred Only) for the Financial Year ended March 31, 2022.

#### 3. Declaration of Final Dividend on Equity Shares for the Financial Year ended March 31, 2022

To declare Final Dividend on Equity Shares at the rate of 20% [i.e. Rs. 2.00/- (Rupees Two Only) per Equity Share of Face Value of Rs. 10/- (Rupees Ten Only)] for the Financial Year ended March 31, 2022.

#### 4. Re-appointment of Mr. Gurbachan Singh Matta (DIN: 02612602) as a Director liable to Retire by Rotation

To re-appoint Mr. Gurbachan Singh Matta (DIN: 02612602), who retires by rotation and is eligible for re-appointment.

#### 5. Appointment of M/s B. K. Kapur & Co., Chartered Accountants as Statutory Auditors

To consider and if thought fit, to pass with or without modifications, the following resolution as an **ORDINARY RESOLUTION(S)**:-

**"RESOLVED THAT** pursuant to the provisions of section 139 and all other applicable provisions of the Companies Act, 2013, if any, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s B. K. Kapur & Company, Chartered Accountants (Firm Registration No.000852C) be and are hereby

appointed as Statutory Auditors of the Company, in place of M/s SSVS & Co., Chartered Accountants (Firm Registration No. 021648C, the retiring statutory auditor, to hold office from the conclusion of 27<sup>th</sup> Annual General Meeting until the conclusion of 32<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2027 at a remuneration to be fixed by the Board of Directors on the recommendation of Audit Committee plus applicable taxes thereon and reimbursement expenses, if any, incurred by them in connection with the Audit."

### SPECIAL BUSINESS(ES):

#### 6. Appointment of Mr. Ravi Kumar (DIN: 02362615) as an Independent Director

To consider and if thought fit, to pass with or without modifications, the following resolution as **SPECIAL RESOLUTION (S)**:-

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the provisions of Articles of Association of the Company, Mr. Ravi Kumar (DIN: 02362615), who was appointed as an Additional Director w.e.f. 10th August, 2022 in terms of Section 161 (1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Mr. Ravi Kumar for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for the period of five years commencing from 10<sup>th</sup> August, 2022 to 09<sup>th</sup> August, 2027 and whose period of office shall not be liable to retire by rotation."

**"RESOLVED FURTHER THAT** that the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be considered desirable or expedient to give effect to this resolution."

#### 7. Remuneration of Cost Auditor

To consider and if thought fit, to pass with or without modifications, the following resolutions as an **ORDINARY RESOLUTION (S)**:-

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if



any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 3,00,000/- (Rupees Three Lakhs only) plus applicable taxes and reimbursement of out of pocket expenses for the Financial Year 2022-23 as approved by the Board of Directors on the recommendation of Audit Committee, to be paid

**By Order of the Board  
For Uttam Sugar Mills Limited**

**(RAJESH GARG)  
JOINT COMPANY SECRETARY & COMPLIANCE OFFICER  
Membership No. FCS5841**

**Place : Noida**

**Date : 10<sup>th</sup> August, 2022**

**NOTES:**

1. An Explanatory Statement setting out all material facts relating to special business contained in item No. 6 & 7 as required under Section 102 of the Companies Act, 2013, Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
2. In view of COVID-19 pandemic outbreak, Ministry of Corporate Affairs allowed conducting of Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed with the requirement of personal presence of the members at the meeting. Accordingly, 27<sup>th</sup> Annual General Meeting (AGM) of the members will be held through VC/OAVM as allowed by the Ministry of Corporate Affairs through various circulars viz Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular no. 02/2021 dated January 13, 2021, Circular no. 21/2021 dated December 14, 2021 and Circular no. 03/2022 dated May 05, 2022, prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM.
3. Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 29 and also available at the Company's website at [www.uttamsugar.in](http://www.uttamsugar.in).
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled

to M/s. M. K. Singhal & Co., Cost Accountants (Firm Registration No. 00074) to conduct the audit of the cost records of the Company be and is hereby ratified and confirmed."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
6. Corporate Members intending to allow their authorised representatives to attend the Meeting through VC/ OAVM are requested to send to the Company certified true copy of the Board Resolution authorizing their authorized signatory (ies) to attend and vote on their behalf at this Annual General Meeting by e-mail to [investorrelation@uttamsugar.in](mailto:investorrelation@uttamsugar.in).
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday,

17<sup>th</sup> September, 2022 to Friday, 23<sup>rd</sup> September, 2022 (both days inclusive).

9. Any information relating to Accounts and/or matters to be placed at AGM must be sent to Company's email id [i.e.investorrelation@uttamsugar.in](mailto:i.e.investorrelation@uttamsugar.in).
10. The Company has paid the Annual Listing Fees for the year 2021-22 to the following Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited on which the Company's Securities are presently listed.
11. The Board of Directors in their meeting held on 16<sup>th</sup> May, 2022 had recommended final Dividend on the Preference shares and Equity shares of the Company for the financial year 2021-22. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source, will be made by Saturday, 22<sup>nd</sup> October, 2022 as under:
  - To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on **Friday, 16<sup>th</sup> September, 2022**.
  - To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on **Friday, 16<sup>th</sup> September, 2022**.
12. Payment of Dividend will be paid through Reserve bank approved electronic mode (such as NECS, ECS, NEFT, RTGS). In case dividend cannot be paid through the electronic mode, it will be paid through dividend warrants/ demand drafts.
 

In cases where the payments to the members holding shares in dematerialized form are made by dividend warrants/demand draft, particulars of bank account registered with their Depository Participants will be considered by the Company.
13. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the shareholders at the prescribed rates. The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Income Tax Act, 1961. It is to be noted that dividend for the Financial Year 2021-22 is subject to declaration by the Members in the AGM.

Upon declaration, this dividend will be taxable in the hands of the shareholders in the Financial Year 2022-23 (Assessment Year 2023-24). Accordingly, all the details and declarations are required to be furnished for Financial Year 2022-23 (Assessment Year 2023-24). Kindly note that the aforesaid documents, duly executed, can be sent to the company as under:

- A) Executed documents can be sent through email at [investorrelation@uttamsugar.in](mailto:investorrelation@uttamsugar.in)
- B) Executed documents (in original) can be sent directly at the Corporate Office of the Company situated at A-2E, 3<sup>RD</sup> Floor, CMA Tower, Sector -24, Noida – 201 301.

The aforesaid executed documents must reach the Company on or before September 16, 2022 in order to enable the Company to determine and deduct appropriate TDS/withholding tax on payment of dividend. It is to be duly noted that the Members sending documents through email are also required to send the executed documents (in original) at the Corporate Office of the Company.

14. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).
15. In accordance with SEBI vide its circular no. SEBI/HO/ MIRSD/RTAMB/CIR/P/2020/166 dated 7<sup>th</sup> September 2020 all share transfers shall be carried out compulsorily in the dematerialised form with effect from 1<sup>st</sup> April 2021. Hence, no transfer of shares in physical form are allowed.

Further, in compliance with SEBI vide its circular SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate

- iv. Endorsement
- v. Sub-division / splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the company as well as on the website of Link Intime India Private Limited, Registrar and share transfer agent (RTA). The aforementioned form shall be furnished in hard copy form.

**Members holding shares in physical form are requested to dematerialize their holdings at the earliest.**

- 16.** The Securities and Exchange Board of India ('SEBI') vide its circular dated November 03, 2021 read with circular dated December 14, 2021 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from 1<sup>st</sup> January 2022, any service requests or complaints received from the member, will not be processed by RTA on or after 1<sup>st</sup> April 2023.

The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after April 01, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

- i. PAN, submit ISR-1;
- ii. Nomination in Form No.SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address : submit ISR-1;
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code : submit ISR-1;
- v. Specimen signature : submit ISR-1.
- vi. Any cancellation or change in nomination shall be provided in Form No. SH-14

All of above required documents/details shall be provided to Company/RTA at [investorrelation@uttamsugar.in](mailto:investorrelation@uttamsugar.in) and [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in) and send

the documents at the address of registered office of the company or RTA. The shareholders can download the forms mentioned in SEBI circular from the website of the RTA website i.e. [www.linkintime.co.in](http://www.linkintime.co.in)

A separate communication has already been sent to the respective shareholders.

- 17.** The Securities & Exchange Board of India (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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Company's RTA
- 18.** Members who hold shares in physical form in multiple folios in identical name or joint holding in the same order of names are requested to send their share certificates to our RTA for consolidation into a single folio.
- 19.** To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address/bank details or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

#### **PROCEDURE FOR DISPATCH OF ANNUAL REPORT AND REGISTRATION OF EMAIL ID**

- 20.** Pursuant to the circulars issued by Ministry of Corporate Affairs (MCA), the Notice of AGM alongwith Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Please take note that Notice and Annual Report 2021-22 has been uploaded on the website of the Company i.e. [www.uttamsugar.in](http://www.uttamsugar.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 21.** As per the green initiative of Ministry of Corporate Affairs (MCA), members are requested to register/ update their email address with depository if they are holding shares in demat mode or to the Registrar & Share Transfer Agent of the Company

viz. Link Intime India Private Limited, if they are holding shares in physical mode in order to receive the various Notices and other Notifications from the Company in electronic form.

#### **DETAILS ABOUT REMOTE E-VOTING AND VC/OAVM ARE AS UNDER:-**

22. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended upto date and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the Company is to provide facility of voting through electronic means i.e. remote e-voting in respect of the business(es) to be transacted at the 27<sup>th</sup> Annual General Meeting (AGM) as well as e-voting system on the date of the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
23. The remote e-voting period commences on Monday, 19<sup>th</sup> September, 2022 (9.00 am) and ends on Thursday, 22<sup>nd</sup> September, 2022 (5.00 pm). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date/record date i.e. Friday, 16<sup>th</sup> September, 2022 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.
24. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date/record date i.e. Friday, 16<sup>th</sup> September, 2022. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
25. The facility for voting through e-voting system shall also be made available at the Meeting & Members attending the meeting who has not already cast their vote by remote e-voting shall be able to vote at the meeting through e-voting.

26. Further, the company has engaged NIVIS CORP SERVE LLP for providing video conferencing system through cisco webex and e-voting services through NSDL. In case any member required any assistance in respect of e-voting or joining of Meeting through VC/OAVM can contact at following:-
  - Ms. Swapnil,
  - Nivis Corpserve LLP,
  - Contact No. 011-45201005,
  - email id [info@nivis.co.in](mailto:info@nivis.co.in).
27. Mr. Naveen Kumar Rastogi, Practicing Company Secretary (Membership No. 3685) has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
28. The results of voting will be declared within two working days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, alongwith the Scrutinizer's Report, will be available forthwith on the Company's corporate website i.e. [www.uttamsugar.in](http://www.uttamsugar.in) under the section 'Investors Lounge' and on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Such results will also be forwarded to the National Stock Exchange of India Limited & BSE Limited.

#### **PROCESS AND MANNER OF REMOTE E-VOTING AND EVOTING DURING THE AGM**

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

**Step 1:** Access to NSDL e-Voting system

**Step 2:** Cast your vote electronically and join General Meeting on NSDL e-Voting system.

##### **Details on Step 1 are mentioned below**

- (A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with their respective Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL.</b>	<p><b>A. NSDL IDeAS facility</b></p> <p><b>If you are already registered, follow the following steps:-</b></p> <ol style="list-style-type: none"> <li>1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>2. Once the home page of e-Services is launched, click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>"IDeAS"</b> section.</li> <li>3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</li> <li>4. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page.</li> </ol>
	<ol style="list-style-type: none"> <li>5. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-voting period or joining virtual meeting &amp; e-voting during the meeting.</li> </ol> <p><b>If you are not registered, follow the following steps:-</b></p> <ol style="list-style-type: none"> <li>1. Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>.</li> <li>2. Select <b>"Register Online for IDeAS"</b> Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Please follow steps given in 1 to 5 at point A.</li> </ol> <p><b>B. E-voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>1. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> <li>2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under <b>'Shareholder/Member'</b> section.</li> <li>3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>4. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; e-voting during the meeting.</li> </ol>
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is <a href="https://web.cdslindia.com/myeasi/home/loginorwww.cdslindia.com">https://web.cdslindia.com/myeasi/home/loginorwww.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of ESP i.e. <b>NSDL portal</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>

<b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b>	<ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>3. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting..</li> </ol>
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Securities held with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30 or NIVIS CORP SERVE LLP at <a href="mailto:info@nivis.co.in">info@nivis.co.in</a> or at 011-45201005
Securities held with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43 or NIVIS CORP SERVE LLP at <a href="mailto:info@nivis.co.in">info@nivis.co.in</a> or at 011-45201005

**B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

#### **How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example, if EVEN is 101456 and folio number is 001*** then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 are mentioned below**

(How to Cast your vote electronically and join General Meeting on NSDL e-Voting system)

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page open.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Process for those shareholders whose email ids are not registered with the depositories / Company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

Shareholders/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-Voting by providing below mentioned documents.

1. In case shares are held in physical mode, please send duly signed request with scanned copy of any one share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investorrelation@uttamsugar.in](mailto:investorrelation@uttamsugar.in) with subject line "LOGIN DETAIL REQUIRED FOR AGM OF FOLIO NUMBER :- MENTION FOLIO NUMBER).
2. In case shares are held in demat mode, please update/register your email id with your depository participant and send updated copy of client master report at [investorrelation@uttamsugar.in](mailto:investorrelation@uttamsugar.in) with subject line "LOGIN DETAIL REQUIRED FOR AGM OF DPID-CLID MENTION DPID-CLID).  
If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**30. GENERAL GUIDELINES FOR SHAREHOLDERS**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to

send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [naveen@nkrassociate.com](mailto:naveen@nkrassociate.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-1020-990 and 1800-22 44-30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Nivis Corpserve LLP, Ms. Swapnil at [info@nivis.co.in](mailto:info@nivis.co.in), or may call at 011-45201005.
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as on the cut-off date i.e. Friday, 16<sup>th</sup> September, 2022, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company at [investorrelation@uttamsugar.in](mailto:investorrelation@uttamsugar.in). However, if any shareholder are holding shares in demat mode and becomes member of the Company after the notice is send through e-mail and holding shares as on the cut-off date i.e. Friday, 16<sup>th</sup> September, 2022, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
5. Members are encouraged to join the Meeting through Laptops or desktops for better experience.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop or desktop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Statutory records/registers (as may be applicable) shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days,

up to and including the date of the Annual General Meeting of the Company.

### **31. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

### **32. PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT AT THE 27TH AGM**

1. Shareholders who would like to speak during the meeting must register their request mentioning their name, demat account number/folio number, email id, mobile number and number of shares held on or before 20<sup>th</sup> September, 2022 with the Company at [investorrelation@uttamsugar.in](mailto:investorrelation@uttamsugar.in) with subject line **"REGISTRATION FOR SPEAKER SHAREHOLDER (MENTION FOLIO/DPID-CLID)"**
2. Shareholders will be allowed to speak only when moderator of the meeting/ management will announce the name for speaking.
3. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
4. Other shareholders may ask questions to the panelist, via question answer box which will be available during the meeting in right side corner.

33. Members are requested to always quote their Folio No. / Client ID & DP ID in all correspondence with the Company's Registrars and the Company. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agent of the Company at the following address :-

#### **Link Intime India Private Limited**

Noble Heights, 1<sup>st</sup> floor,  
Plot No NH-2, C-1 Block, LSC,  
Near Savitri Market, Janakpuri,  
New Delhi - 110058.  
Tel. :- 011-4141 0592-94  
Telefax :- 011-4141 0591  
Email: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in).



**APPOINTMENT / RE-APPOINTMENT OF DIRECTORS**  
**(ANNEXURE TO NOTICE)**

(A brief resume/particulars in respect of the proposed appointment/re-appointment of Director is given below in terms of Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meeting)

<b>Name</b>	Mr. G. S. Matta	Mr. Ravi Kumar
<b>DIN</b>	02612602	02362615
<b>Date of Birth</b>	24 <sup>th</sup> March, 1948	15 <sup>th</sup> April, 1961
<b>Date of first Appointment on the Board</b>	30 <sup>th</sup> September, 2020*	10 <sup>th</sup> August, 2022
<b>Qualifications</b>	B.Sc.(Hons.) & CAIIB	MBA (FM), MA (Public Administration) & CAIIB
<b>Experience</b>	Mr. Matta is an ex-banker with over 50 years of experience. He was associated with Indian Overseas Bank since 1968 till 2005. In August 2005, he joined Punjab and Sind Bank and was promoted as Executive Director of the Bank in March 2006. He has also headed various committees for implementation of Basel II, Core Banking Solutions and Risk Management. He is also a visiting faculty at NIBSCOM (National Institute of Bank Studies and Corporate Management), Noida for lectures on various topics on the Banking Industry like Risk Management, Corporate Governance, Basel II norms, etc.	Mr. Ravi Kumar, a seasoned banker with 30+ years of experience across Corporate Banking, project finance, credit delivery, Credit Monitoring, risk assessment & risk mitigation, stress asset management etc. He was part of the top management of IDBI Bank Ltd till April 2021 and was managing portfolio of large/mid corporate group. The role included leading, strategising, directing, controlling, monitoring and overseeing all facets of the large corporate portfolio of the Bank. During his long stint with IDBI, he has worked in various leadership positions with IDBI and handled relationships of various large groups, sectors and industries.
<b>Directorship held in other Listed Companies</b>	Chamak Holdings Ltd.	NIL
<b>Resignation from other Listed Companies in last 3 years</b>	N.A.	N.A.
<b>Chairmanship/Membership in Committee across other Listed Companies</b>	NIL	NIL
<b>Number of Shares held in the Company</b>	NIL	NIL
<b>Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid</b>	Mr. Gurbachan Singh Matta, is liable to retire by rotation and being eligible, offers himself for re-appointment. There is no change in the remuneration payable to him.	Mr. Ravi Kumar has been appointed as Additional Cum Independent Director w.e.f 10.08.2022 and his appointment as Director is sought in forthcoming AGM by way of Ordinary Resolution. He will be paid Remuneration as per the Special Resolution passed by the members of the Company in 26 <sup>th</sup> AGM.
<b>Remuneration last drawn (Per Annum)</b>	Rs. 13.75 Lakhs	Nil
<b>The number of Meetings of the Board attended</b>	5 (Five)	Not Applicable
<b>Relationship with other Directors, KMP and Manager</b>	None	None

\* Mr. Gurbachan Singh Matta has first appointed on the Board on 12<sup>th</sup> September, 2009 as an Independent Director continued to act as such. He ceased to be Independent Director w.e.f 25<sup>th</sup> September, 2020 due to expiration of his second tenure. However, being eligible he was afresh appointed as Non-Executive Director in Non-Independent category with effect from 30<sup>th</sup> September, 2020.

**DETAILS OF SHAREHOLDING OF  
NON-EXECUTIVE DIRECTORS OF THE COMPANY**

(Pursuant to Regulation 36(3) of SEBI (LODR), 2015)

Sl. No.	Name of Directors	No. of Equity Shares held	No. of Equity Shares held as beneficial owner
1.	Mr. G. S. Matta	Nil	Nil
2.	Mr. N. K. Sawhney	Nil	Nil
3.	Mrs. Rutuja Rajendra More	Nil	Nil
4.	Mr. Jasbir Singh	Nil	Nil
5.	Mr. Ravi Kumar	Nil	Nil

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ANNEXED AND FORMING PART OF THE NOTICE**

**Item No. 6**

As per the provisions of Section 161 of the Companies Act, 2013, Mr. Ravi Kumar was appointed as an Additional cum Independent Director with effect from 10<sup>th</sup> August, 2022. He holds office as an Additional Director till the conclusion of this Annual General Meeting. A notice under Section 160(1) of the Act has been received from a Member, signifying his intention to propose the candidature of Mr. Ravi Kumar as a Director.

The Board of Directors on the recommendation of Nomination and Remuneration Committee of the Directors and on the basis of his rich experience and knowledge recommends the confirmation of appointment of Mr. Ravi Kumar stating that it will be immense benefit to the Company to have him on the Board and proposed his appointment for a period of five years commencing from 10<sup>th</sup> August, 2022 to 09<sup>th</sup> August, 2027. A copy of the letter of appointment of Mr. Ravi Kumar as an independent director setting out the terms and conditions is available for inspection without any fee at the Company's registered office during the normal business hours on any working day up to the date of the AGM.

Further, in the opinion of the Board, Mr. Ravi Kumar fulfills the conditions specified in the Act read with rules made thereunder and he is independent of the management. He is not debarred from holding the office of director by virtue of any SEBI order or any other such authority and has successfully registered himself in the Independent Director's data bank maintained by Indian Institute of Corporate Affairs (IICA).

The Board of Directors recommends the resolutions as set out in the Item No. 6 for approval of Members by way of Special Resolutions. A brief profile of Mr. Ravi Kumar has already been provided under the heading "Details of Appointment / Re-Appointment of Directors at the forthcoming AGM (Annexure to the Notice)".

None of the Directors and Key Managerial Personnel of the Company including their relatives except Mr. Ravi Kumar is concerned or interested in the proposed resolution.

**Item No. 7**

The Board on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s M.K. Singhal & Co., the Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2022-23 as per the following details:

Product	Factory
Sugar	Libberheri Unit, Barkatpur Unit, Khaikheri Unit & Shermau Unit
Power	Libberheri Unit, Barkatpur Unit, Khaikheri Unit & Shermau Unit
Ethanol Distillery	Barkatpur Unit & Libberheri unit

## NOTICE OF AGM

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 as amended upto date, the remuneration payable to the Cost Auditors for the Financial Year 2022-23 is to be ratified by the shareholders by way of an Ordinary Resolution.

The Board of Directors recommends the resolutions as set out in the Item No. 7 for approval of Members by way of Ordinary Resolutions.

None of the Directors and Key Managerial Personnel of the Company including their relatives is concerned or interested, financially or otherwise in the resolutions.

**By Order of the Board  
For Uttam Sugar Mills Limited**

**(RAJESH GARG)  
JOINT COMPANY SECRETARY &  
COMPLIANCE OFFICER  
Membership No. FCS-5841**

**Place : Noida**

**Date : 10<sup>th</sup> August, 2022**

**Registered Office:**

Village Libberheri, Tehsil Roorkee,  
Distt.Haridwar, Uttarakhand.  
CIN: L99999UR1993PLC032518  
Website: [www.uttamsugar.in](http://www.uttamsugar.in).

## DIRECTORS' REPORT

To  
The Shareholders of the Company,

Your directors take pleasure in presenting this Twenty Seventh Annual Report together with the Audited Annual Financial Statements for the year ended 31<sup>st</sup> March, 2022.

### FINANCIAL RESULTS

The financial results of the Company for the year ended on 31<sup>st</sup> March, 2022 are as under:-

DETAILS	(Rs. in Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
Revenue from Operations	2,03,434.59	1,81,859.03
Profit/(Loss) before Depreciation & Tax	21,035.10	13,851.05
Less:		
Depreciation	3,320.99	2,852.12
Profit before Tax	17,714.11	10,998.93
Less: Provision for Taxation		
Current Tax	-	-
Deferred Tax	4,222.09	3,606.55
Income Tax reversed/paid for Earlier years	-	(1,497.50)
Tax Impact on account of New Tax Regime	-	2,914.11
<b>Profit after Tax</b>	<b>13,492.02</b>	<b>5,975.77</b>
Total Other Comprehensive Income/(loss)	55.25	(4.86)
Total Profit after comprehensive income for the year	13,547.27	5,970.91
<b>Add:</b> Balance brought forward from Previous Year	<b>13,051.95</b>	<b>9,449.69</b>
<b>Less:</b> Amount transferred to Capital Redemption Reserve on redemption during the year	-	-
i) 2973300 (1451550 in FY 21) 6.50% Non-Cumulative Redeemable Preference Shares	2,973.30	1,451.55
ii) 417000 (225000 in FY 21) 10% Non- Cumulative Redeemable Preference Shares	417.00	225.00
<b>Less :</b> Impact of redemption of Preference Shares out of opening retained earning	<b>1,065.17</b>	<b>692.10</b>
<b>Surplus/(Deficit) transferred to Balance Sheet</b>	<b>22,143.75</b>	<b>13,051.95</b>

### DIVIDEND

Your directors recommended a dividend at the prescribed rate on 6.50% Non- Cumulative Redeemable Preference shares and on 10.00% Non-Cumulative Redeemable Preference shares and 20% i.e., ₹ 2/- per Equity Share of ₹ 10/- each, for the year ended 31<sup>st</sup> March, 2022, which is subject to the approval of Shareholders at the ensuing Annual General Meeting of the Company.

### YEAR IN RETROSPECT

**Impact of Covid-19:** The well-being of our employees and their family members is one of our foremost priorities. We restructured our standard operating procedures and set strict protocols for safeguarding the health of our

employees and their families. We also took special care to ensure that there is minimum disruption of services to all our customers and business associates. So far, the pandemic has not caused any significant business disruptions.

### PERFORMANCE OF THE COMPANY

During the year under review, your Company's Revenue from Operations was ₹ 2,03,434.59 Lakhs as compared to ₹ 1,81,859.03 Lakhs in the previous financial year.

**EBIDTA**, during FY 2021-22 is ₹ 28,527 lakhs as compared to EBIDTA of ₹ 22,462 lakhs during previous FY, 27% higher EBIDTA as compared to previous FY is on account of better sales realization of sugar and higher sales in

distillery segment. **Highest ever EBIDTA recorded by the Company during the financial year.**

**Earning before tax** is at ₹ 17,714 lakhs when viewed in conjunction with that of the previous FY ₹ 10,999 lakhs.

**Earnings after tax** is at ₹ 13,547 lakhs, as compared to the earnings after tax of previous FY of ₹ 5,971 lakhs. During the financial year, Earnings after tax is 127% higher than in comparison with previous year.

## REVIEW OF OPERATIONS

### Sugar Division

Operational data of the Company for the financial year 2021-22 and 2020-21 are as under: -

Financial Year	Cane crushed (In Lakhs Qtls.)	Sugar produced (In Lakhs Qtls.)	Recovery %
2021-22	373.16	41.31	11.07
2020-21	396.16	45.60	11.51

Following are the season wise data of Cane crushed and Sugar produced: -

Crushing Season	Cane crushed (In Lakhs Qtls.)	Sugar produced (In Lakhs Qtls.)	Recovery %
2021-22	382.75	41.98	10.97
2020-21	366.10	41.88	11.44

### Recovery Equivalent to C Hy Molasses -11.90% in SS 2021-22 & 12.03% in SS 2020-21

- ✓ Sugarcane crushing declined by 5.81% y-o-y at 373.16 lakhs Qtls against 396.16 lakhs Qtls. However, during the crushing season 2021-22 the cane crush was higher at 382.75 lakhs Qtls as against 366.10 lakhs Qtls during Season 2020-21.
- ✓ Sugar production is lower on account of diversion in B Hy molasses so as to maximize ethanol production besides lower crush.
- ✓ Net Recovery of Sugar during the season was 10.97% in SS 2021-22 as against 11.44% in SS 2020-21 with B Hy molasses. Recovery equivalent to C Hy molasses was 11.90% in SS 21-22 as against 12.03% in SS 2020-21 slightly lower because of weather condition.

The Company registered a gross turnover of Sugar of ₹ 1,63,290.23 Lakhs for the year ended 31<sup>st</sup> March, 2022 against ₹ 1,49,656.56/- Lakhs for the year ended 31<sup>st</sup> March, 2021– an increase of gross turnover by 9.11 %. The net sales realization at ₹ 3,457 per qtl for Current year ending

31<sup>st</sup> March, 2022 was higher as compared to ₹ 3,152 per qtl for the previous year ended 31<sup>st</sup> March, 2021.

Net Sales Realization for Domestic sales were ₹ 3,542/- qtl as against ₹ 3314/- qtl and in case of Export sales net Realization during 2021-22 were ₹ 3,134/- qtl as against ₹ 2,520/- qtl in previous financial year. During the year export sales was 21% of total sales as against 20% in previous year.

During the financial year, the Company commenced its crushing in Barkatpur in 4<sup>th</sup> week of October 2021 and in other 03 units i.e., Libberheri, Khaikheri & Shermau in 2<sup>nd</sup> week of November 2021. The results were slightly on lower side as compared to previous season in terms of recovery mainly due to climatic changes specifically in the state of U.P. However, recovery was better as compared to other units/whole state.

The Company's aggregate sugar cane crushing was 382.75 Lakhs qtls during the season 2021-22 as against 366.10 Lakhs qtls in 2020-21. The Company had a recovery of 10.97% (Equivalent to C Hy 11.90%) as against 11.44% (Equivalent to C Hy 12.03%) in previous season.

The Company continued to focus on cane development activities, comprising of varietal replacement with proven high sugared varieties, change in pattern of sowing, ratoon management, encouraging use of Bio – fertilizers, Bio-pesticides, soil testing activities etc. and modern agricultural practices due to which the recovery and crushing is expected to further improve in the coming season. Apart from these activities, company is further strengthening the cane development activities by way of development of in-house agri research centre, integrated pest management programme, soil testing facilities, encouraging use of Bio-fertilizers and Bio-pesticides and training facilities for the farmers & cane development staff.

The Uttar Pradesh and Uttarakhand Government have announced State Advised Price (SAP) for sugarcane at ₹340/- per qtl (₹ 350/- per qtl for early variety) and ₹345/- per qtl (₹ 355/- per qtl for early variety) respectively for season 2021-22.

### Co-generation Division

During the period under review, your company produced 2,876.70 Lakhs KWH of power as compared to 3,011 Lakhs KWH of power in the year 2020-2021. Out of total production, your company exported 1,452.22 Lakhs KWH to UPPCL/UPCL for a total amount of ₹5,710.61 Lakhs against 1,446.53 Lakhs KWH for an amount of ₹5,367.22 Lakhs in the previous year. The main reason of increase in power revenue is due to better rate as compare to previous financial year.

REC is an additional source of Revenue to your company. During the year 2021-22 Company sold 63,021 units of ₹ 630.21 Lakhs against 644 units of REC for ₹ 6.44 Lakhs in previous year.

## Distillery Division

Your company has two Distilleries with an installed capacity of 200 KLPD. First, 150 KLPD Distillery at Barkatpur unit of the Company situated in Distt. Bijnor in the State of Uttar Pradesh and Second Distillery of 50 KLPD at Libberheri unit of the Company situated at Distt. Haridwar in the State of Uttarakhand. Libberheri Distillery commissioned during the year under review.

During the year under review 506.15 Lakhs bulk litres (BL) of industrial alcohol produced as compared to 299.25 Lakhs bulk litres in the year 2020-21 and your company sold 521.59 Lakhs bulk litres industrial alcohol (including Ethanol) as compared to 276.92 Lakhs bulk litres in the previous year.

CO<sup>2</sup> gas produced and sold to the extent of 31.12 Lakhs kg amounting to ₹ 79.00 Lakhs during the year as compared to production and sales of 22.71 Lakhs kg amounting to ₹ 53 Lakhs in the previous year ending 31<sup>st</sup> March 2021.

During the year under review 9.64 lakhs KG of Potash produced and your company sold 1.51 lakhs KG sanitizer amounting to ₹ 116 Lakhs.

## The Indian Sugar industry review

Indian sugar season 2021-22 proved to be eventful. The season was characterized by few landmark statistics such as-

- Highest ever sugar production – as per latest estimate, more than 36 million tonnes.
- Sugar sacrifice in favor ethanol of 3.5 million tonnes a gross production of nearly 39.5 million thus fortifying the premise that India is fundamentally a sugar surplus nation.
- The states of Maharashtra and Karnataka have clocked new records of production. The production in Maharashtra is expected to breach the 13 million tonnes mark for the first time and Karnataka is expected to produce its highest ever yield of 6 million tonnes of sugar.
- Highest ever sugar exports – estimated to be around 10 million tonnes – a singular accomplishment considering the fact that the entire export is under OGL scheme and without the support of any export subsidy.

The following interventions by the Central & State Government have augured well for the industry-

- ✓ Retention of minimum ex-factory selling price of sugar at ₹3,100 per quintal. Although the sugar prices in the last several months have been in excess of the MSP announced by the Government, yet the regulation has been able to discipline the industry and prevented sugar companies from panic selling below the threshold price.

- ✓ Monthly release mechanism to regulate and moderate the availability of sugar in the open market.
- ✓ After a hiatus of four seasons, sugarcane price for the SS 2021-22 (SAP) was increased by ₹ 25/- quintal and ₹ 28/- quintal across all varieties by Uttar Pradesh & Uttarakhand Govt. respectively.
- ✓ In view of the better international prices of sugar, the Government for the SS 2021-22, has done away with the quota system and subsidy for export resulting which the export from India is all time higher in season 2021-22. However, from June 2022 onwards Export restricted and ERO (Export Release Order) being issued by DFPD.

## The Indian Ethanol industry review

Ethanol is one of the principal biofuels, which is naturally produced by the fermentation of sugars by yeasts or via petrochemical processes such as ethylene hydration. It has medical applications as an antiseptic and disinfectant. It is used as a chemical solvent and in the synthesis of organic compounds, apart from being an alternative fuel source.

Achieving energy security and the transitioning to a thriving low carbon economy is critical for a growing nation like India. Blending locally produced ethanol with petrol will help India strengthen its energy security, enable local enterprises and farmers to participate in the energy economy and reduce vehicular emissions. The Government of India notified the National Policy on Biofuels – 2018 (NPB-2018) on 04.06.2018 wherein, under the Ethanol Blended Petrol (EBP) Program, an indicative target of 20% blending of ethanol in petrol by 2025 was laid out.

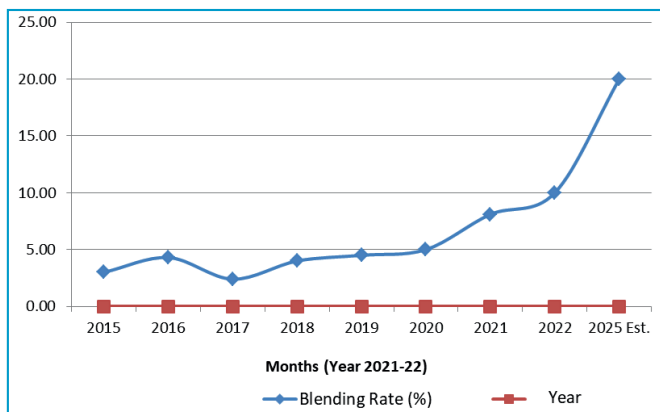
In a decisive initiative, the Government of India advanced the target for 20 per cent ethanol blending in petrol (also called E20) from 2030 to 2025. E20 is expected to be rolled out from April 2023 and aid in moderating the country's oil imports and carbon footprint. The Central Government proposed a gradual rollout of ethanol-blended fuel to achieve E10 fuel supply by April 2022 and a phased rollout of E20 from April 2023 to April 2025.

The government intends to achieve an ethanol blending target of 10% in the current ethanol supply year of 2021-22. In the ethanol supply year of 2020-21 (December-November), a record 3.03 billion litres of ethanol were supplied by distilleries to OMCs compared to 0.38 billion litres with blending levels of only 1.53% in 2013-14.

## Ethanol blending (%) under EPB Scheme

Year	Blending Rate (%)
2015	3.00
2016	4.30

2017	2.40
2018	4.00
2019	4.50
2020	5.00
2021	8.10
2022	10.00
2025(Estimated)	20.00



(Source: Industry)

- ✓ Ethanol procurement price for Ethanol Season Year 2021-22 (December to November) fixed at ₹ 46.66 per liter for ethanol made from C-Hy molasses, ₹ 59.08 per liter for ethanol made from B-Hy molasses and ₹ 63.45 for ethanol produced directly from sugarcane juice. Higher price for ethanol made from sugarcane juice and B Hy molasses is to encourage sugar mills to sacrifice sugar production in favor of ethanol. Transportation rate also made variable on quarterly basis linked with diesel price.
- ✓ During the year, CCEA approved the following for Sugar Season 2021-22 (December 2021 to November 2022 during Ethanol Supply period for various feed-
  - Price of Ethanol from C Hy Molasses increased from ₹ 45.69/- liter to ₹ 46.66/- liter.
  - Price of Ethanol from B Hy Molasses increased from ₹ 57.61/- liter to ₹ 59.08/- liter.
  - Price of Ethanol from Sugar Cane Juice/Sugar Syrup increased from ₹ 62.65/- liter to ₹ 63.45/- liter.
  - Price of Ethanol from damaged grain at ₹ 52.92/- liter from ₹ 51.55/- liter.
  - Price of Ethanol from FCI Rice at ₹ 56.87/- liter.
  - GST & Transportation extra.

### SHARE CAPITAL

The paid-up equity share capital of the Company as at 31<sup>st</sup> March, 2022 stood as Rs. 38.14 Crores. During the year under review, the Company has not issued any Shares including shares with Differential Voting Rights/ Stock Options/Sweat Equity etc. Further, during the year under review the Company has redeemed 29,73,300 6.50% Non-Cumulative Redeemable Preference shares and 4,17,000 10.00% Non-Cumulative Redeemable Preference shares as per the terms of the issue.

### DEPOSITS

Your Company has neither accepted nor renewed any deposit within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. There were no unclaimed deposits at the end of Financial Year i.e. 31<sup>st</sup> March, 2022.

### DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP)

#### Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Gurbachan Singh Matta, Non-Executive Non Independent Director (DIN: 02612602) of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment. The Board recommends the re-appointment of Mr. Gurbachan Singh Matta as Director in the ensuing AGM of the Company.

#### Changes in the Board/KMP (Appointment and Resignation)

During the year under review, at the 26<sup>th</sup> Annual General Meeting held on 17<sup>th</sup> September, 2021 Mr. Gurbachan Singh Matta has been appointed by shareholders as Non-Executive Director in the Non-Independent category to hold office for a period of five years commencing from 30<sup>th</sup> September, 2020 to 29<sup>th</sup> September, 2025.

Mr. Jasbir Singh has also been appointed by shareholders as an Independent Director to hold office for a period of five years commencing from 30<sup>th</sup> September, 2020 to 29<sup>th</sup> September, 2025.

Mr. Shankar Lal Sharma has also been appointed by shareholders as an Executive Director to hold office for a period commencing from 07<sup>th</sup> January, 2021 to 31<sup>st</sup> December, 2024.

There are no other changes taken place in the Board during the year under review. However, Mr. Ravi Kumar has been appointed as an Additional-cum Independent Director on the Board of the Company w.e.f. 10<sup>th</sup> August, 2022. In compliance of Section 149 and 160 of the Companies Act, 2013, it is proposed to appoint Mr. Ravi Kumar as an Independent Director to hold office for a period of five years commencing from

10<sup>th</sup> August, 2022 to 09<sup>th</sup> August, 2027. Mr. Ravi Kumar has given declarations confirming that he meet the criteria of Independence as prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Company has also received the confirmation from Mr. Ravi Kumar that he has enrolled/registered himself in the databank of persons offering to become Independent Directors.

#### **Declaration/Disclosures of Directors proposed to be appointed / re-appointed**

None of the directors of the company are disqualified under the provisions of the Companies Act, 2013 or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the Directors have made necessary disclosures as required under the various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profile of Mr. Gurbachan Singh Matta proposed to be appointed / re-appointed and his Qualification, Experience alongwith the name of Companies in which he hold the Directorship and Listed Companies in which he hold Chairmanship/membership of the Committees of the Board, as stipulated under Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings is given as Annexure to the Notice convening the Annual General Meeting.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 and state that:

- i. in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures; if any;
- ii. they have selected appropriate accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and of the profits of the Company for the year ended on that date;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a 'going concern' basis;

- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **AUDITORS**

M/s SSVS & Co., Chartered Accountants (FRN: 021648C) were appointed as Statutory Auditors of the Company at the 22<sup>nd</sup> Annual General Meeting held in the year 2017 for a term of five consecutive years from the conclusion of 22<sup>nd</sup> Annual General Meeting (AGM) till the conclusion of 27<sup>th</sup> AGM. Accordingly, their office as statutory auditors is going to expire at the conclusion of the ensuing Annual General Meeting of the Company. The Board of Directors of the Company, on the recommendations of the Audit Committee, have recommended the appointment of B.K. Kapur, Chartered Accountants (FRN: 000852C) as the Statutory Auditors of the Company for the term of five consecutive years, subject to approval of the members.

The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

Further, the Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Companies Act, 2013 and therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Companies Act, 2013.

#### **Clarification on Auditors' Observations**

Your Directors wish to clarify the observations reported by the Statutory Auditors as under:-

1. Regarding observation in Para i (c) of Annexure 'A' to the Report relating to the title deeds of the immovable property not in the name of the Company in one case, your Directors wish to state that the necessary action is being taken by the Company for registration of such immovable property in the name of the Company.
2. Regarding observation in Para ix (a) of Annexure 'A' to the Report, there are no delays in the repayment of interest / installments to the Bank / Others. However, relating to delays in the repayment of interest/principal amount of the soft loan due to Govt. of Uttarakhand, your Directors wish to state that company has made a representation to the State Govt. for waiver of the loan alongwith interest, which is under consideration.

#### **COST AUDITORS**

As per the requirements of the Section 148 of the Companies Act, 2013, read with the Companies (Cost



Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained. The Board on the recommendation of the Audit Committee has re-appointed M/s M. K. Singhal & Company (Firm Regn. No. 00074), Cost Accountants, to audit the Cost Accounting records relating to Sugar, Co-generation and Ethanol Distillery for the Financial Year 2022-23.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. The Board recommends the same for approval of members in the ensuing Annual General Meeting.

### **SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, amended upto date and other applicable provisions, if any, M/s N. K. Rastogi & Associates (Mem. No. 3685), Practicing Company Secretaries has conducted the Secretarial Audit of the Company for the Financial Year 2021-22. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2022 is attached and marked as "**Annexure-I**" and forms part of the Board's Report. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark.

### **MEETINGS**

The details of Board Meetings and Committee Meetings held during the period under review are given in the Corporate Governance Report.

### **AUDIT COMMITTEE**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rules made thereunder and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place Audit Committee. The details of terms of reference, composition of the Audit Committee, number and dates of meetings held, attendance of members and other details are given separately in the attached Corporate Governance Report. The Audit Committee satisfies the requirements of Act and SEBI (LODR) Regulations, 2015. All recommendations made by the Audit Committee during the year were accepted by the Board.

### **ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rules made thereunder, the draft Annual Return of the Company for the Financial Year 31<sup>st</sup> March, 2022 is uploaded on the website of the Company and can be accessed

at [http://uttamsugar.in/adminpanel/product\\_image/e873ac4f0f88f72959d5bdd935bce9eaANNAUL%20RETURN%202021.pdf](http://uttamsugar.in/adminpanel/product_image/e873ac4f0f88f72959d5bdd935bce9eaANNAUL%20RETURN%202021.pdf)

### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rules made thereunder and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a whistleblower policy to deal with unethical behavior, victimization, fraud and other grievances or concerns, if any. The Policy allows the whistle-blowers to have direct access to the Chairman of the Audit Committee and also protects them from any kind of discrimination or harassment. The aforesaid policy can be accessed on the Company's website i.e. [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/6cc3d4c19cf1ab275a3848390e5611c1Whistle\\_Blower%20%20Vigil%20Mechanism.pdf](http://uttamsugar.in/adminpanel/product_image/6cc3d4c19cf1ab275a3848390e5611c1Whistle_Blower%20%20Vigil%20Mechanism.pdf)

### **NOMINATION & REMUNERATION COMMITTEE**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place Nomination & Remuneration Committee and the details of terms of reference, composition, number & dates of meetings held, attendance and other details are given separately in the attached Corporate Governance Report.

The Board on the recommendation of Nomination & Remuneration Committee framed a policy i.e. Nomination and Remuneration Policy for selection and appointment of Directors, senior managerial personnel and their remuneration, including criteria for determining qualifications, positive attributes, independence of a director. The aforesaid policy can be accessed on the Company's website i.e. [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/a696f4dd281eb69487bbf38876bc2c56Policy\\_Nomination%20%20Remuneration.pdf](http://uttamsugar.in/adminpanel/product_image/a696f4dd281eb69487bbf38876bc2c56Policy_Nomination%20%20Remuneration.pdf)

### **BOARD EVALUATION**

As per the provisions of the Companies Act, 2013, a formal annual evaluation needs to be done by the Board of its own performance and of its committees and other individual directors. Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual performance evaluation of the Board, Independent Directors, Non-Executive Directors, Executive Directors, Committees and the Chairman of the Board. The evaluation of Non-Independent Directors, Chairman and the Board as a whole was done at a separate meeting by the Independent Directors.

Accordingly, the above said evaluation was done based on criteria which includes among others, providing strategic perspective, Chairmanship of Board and Committees, attendance and preparedness for the meetings, contribution at meetings, effective decision making ability and role of the Committees. The detailed analysis of performance evaluation is incorporated under the head 'Nomination and Remuneration Committee' in the Corporate Governance Report.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not made any investments or given loan or provided guarantee/security during the year under review in terms of Section 186 of the Companies Act, 2013.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013**

All related party transactions entered during the year are negotiated on an arms-length basis and are in the ordinary course of business. There have been no materially significant related party transactions entered by the Company with the promoters, directors and key managerial personnel of the Company. Further, the suitable disclosure as required in IND AS-24 regarding Related Party Transactions has been made in the notes to financial statements. The Company's policy for Related Party Transactions is available on Company's website i.e. [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/db061eede812bddd35e81e5a3164cffaPolicy\\_Related%20Party%20Transaction.pdf](http://uttamsugar.in/adminpanel/product_image/db061eede812bddd35e81e5a3164cffaPolicy_Related%20Party%20Transaction.pdf)

### **PARTICULARS OF EMPLOYEES**

The particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached with this Report and marked as **"Annexure-II"**. 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.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013, are given in a separate annexure attached hereto and forms part of this Report and marked as **"Annexure-III"**.

### **COMPLIANCE OF SECRETARIAL STANDARDS OF ICSI**

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### **INTERNAL FINANCIAL CONTROLS**

The Company has an adequate system of internal control relating to the nature of the business of the Company. A detailed note has been provided under Management Discussion and Analysis Report. The Company has Audit Committee which ensures proper compliance with the provisions of the Companies Act, 2013 and Listing Regulations and also reviews the adequacy and effectiveness of the internal control systems.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There were no significant or material orders passed by the Regulators or Courts or Tribunals which may impact the going concern status and Company's operations in future.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In accordance with the requirements of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility (CSR) Committee. The details of composition of CSR committee are given in the Corporate Governance Report attached hereto. The CSR Committee has framed and finalised the CSR policy of the Company which was duly approved by the Board. The CSR policy of the Company can be accessed on the Company's website i.e. [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/0fe80304b5df11cc35569799b8d1445bcorporate\\_Social\\_Resposibilty\\_Policy.pdf](http://uttamsugar.in/adminpanel/product_image/0fe80304b5df11cc35569799b8d1445bcorporate_Social_Resposibilty_Policy.pdf)

Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **"Annexure-IV"** and forms integral part of this Report.

### **RISK MANAGEMENT POLICY**

As per Regulation 21 of the SEBI Listing Regulations, the top 1000 listed entities, determined on the basis of market capitalization has to constitute a Risk Management Committee. The Company has in place Risk Management Committee, which is responsible to review and combat the risk on periodical basis. A detailed note on Risk Management policy, Risk management committee and other details are comprised in Corporate Governance Report.

The Company has also in place Risk Management policy to identify and evaluate business risk and opportunity of Risk Management to minimize the adverse impact on business objectives and enhancement of company's

competitive advantage. The policy facilitates to identify the risk at appropriate time and necessary steps to be taken to mitigate the risk. The detailed risk analysis and their mitigation are given in the Management Discussions and Analysis Report.

#### **DIVIDEND DISTRIBUTION POLICY**

As per Regulation 43A of the SEBI Listing Regulations, the top 1000 listed entities, determined on the basis of market capitalization, have to frame Dividend Distribution Policy. Accordingly, The Company has adopted a Dividend Distribution Policy which is available on the website of the Company i.e. [www.uttamsugar.in](http://www.uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/98eadfec7b265fdeb9128d297aca0ab0Uttam%20Sugar%20Mills%20Limited\\_DDP.pdf](http://uttamsugar.in/adminpanel/product_image/98eadfec7b265fdeb9128d297aca0ab0Uttam%20Sugar%20Mills%20Limited_DDP.pdf)

#### **SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES**

The Company does not have any Subsidiary, Associate and/or any Joint Venture Company.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

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. 31<sup>st</sup> March, 2022 and the date of this Report.

#### **CHANGE IN THE NATURE OF BUSINESS**

During the year, there was no material change in the nature of business of the Company.

#### **BUSINESS RESPONSIBILITY POLICY**

Pursuant to the provisions of Regulation 34(2)(f) of the Listing Regulations, inter alia, provides that the annual reports of the top 1000 listed entities based on market capitalisation (calculated as on March 31<sup>st</sup> of every financial year), shall include a Business Responsibility Report (BRR). Your Company comes under the same and therefore the Company has formulated a Policy on Business Responsibility ("Policy"), which lays down the broad principles to guide the Company in delivering its various responsibilities to its stakeholders. Business Responsibility Report describing the initiatives taken

by the Company from an environmental, social and governance perspective forms part of this Report and marked as "**Annexure-V**".

#### **CORPORATE GOVERNANCE**

The report on Corporate Governance as stipulated under Regulation 34 (3) read with Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms an integral part of this Report and marked as "**Annexure-VI**", which also includes a Certificate obtained from a Practicing Company Secretary pursuant to the said Regulations.

#### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

A separate Report on Management Discussion and Analysis for the year under review, as stipulated under regulation 34(2)(e) read with Schedule V (B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section and forms part of this Report and marked as "**Annexure-VII**".

#### **THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

The Company has not made or received any application under the provisions of IBC during the financial year. There is no proceeding pending under the IBC during the year.

#### **THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF OTS AND THE VALUATION DONE WHILE TAKING LOAN**

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

#### **INDUSTRIAL RELATIONS**

Industrial relations continued to remain cordial throughout the year under review.

#### **ACKNOWLEDGEMENT**

Your Directors thank the Customers, Suppliers, Farmers, various Govt. Agencies, Banks and Shareholders for their continued support and co-operation. Further, your Directors also acknowledge the dedicated services rendered by all the employees of the Company.

**For and on behalf of the Board  
For UTTAM SUGAR MILLS LIMITED**

**Place : Noida  
Date : 10<sup>th</sup> August, 2022**

**(RAJ KUMAR ADLAKHA)  
MANAGING DIRECTOR  
(DIN : 00133256)**

**(SHANKAR LAL SHARMA)  
EXECUTIVE DIRECTOR  
(DIN : 09018381)**

**(Annexure – I)****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022****[Pursuant to section 204(1) of the Companies Act, 2013 and Rule****9 of the Companies (Appointment and Remuneration of Managerial Personnel)****Rules, 2014 and Regulation 24A of SEBI (LODR) Regulations, 2015 read with the guidance note of the Institute of Company Secretaries of India]**

To,

**The Members,****Uttam Sugar Mills Limited**Village Libberheri, Tehsil Roorkee,  
District Haridwar, Uttarakhand – 247 667

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Uttam Sugar Mills Limited (CIN: L99999UR1993PLC032518)** (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 my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on March 31<sup>st</sup>, 2022 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 March 31<sup>st</sup>, 2022 according to the provisions of :-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable as the Company has not issued any shares during the year);**
- (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable during the year under review);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable during the year under review);**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable during the year under review);**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable during the year under review) ;**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable during the year under review) ;**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable during the year under review) ;**
- (j) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ; and

- (k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Laws specifically applicable to the industry to which the Company specifically belongs, as identified by the management are:-

#### **Sugar**

- a) The U.P. Sugarcane (Regulation of supply and Purchase) Act, 1953 and Rules, 1954;
- b) Uttar Pradesh Sheera Niyamtran Adiniyam, 1964;
- c) Uttar Pradesh Sheera Niyamtran Niyamavali 1974;
- d) Food Safety And Standards Act, 2006;
- e) Essential Commodities Act, 1955;
- f) The Export (Quality Control and Inspection) Act, 1963;
- g) The Cost Accounting Records (Sugar Industry) Rules, 2011; and
- h) The Legal Metrology Act, 2009.

#### **Co-Generation of Power**

- a) The Electricity Act, 2003;
- b) National Tariff Policy; and
- c) Explosives Act, 1884.

#### **Industrial Alcohol**

Cost Accounting Records (Industrial Alcohol) Rules, 1997.

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) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

#### **Disclosure**

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

#### **For N. K. Rastogi & Associates Company Secretaries**

**Naveen Kumar Rastogi**  
**FCS No. 3685**  
**C. P. No. 3785**  
**Proprietor**

**Place : Delhi**

**Date : 10<sup>th</sup> August, 2022**

**UDIN: F003685D000772992**

#### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

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.

Decisions at the Board Meetings and Committee Meetings were taken unanimously and are captured and recorded as part of 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 Company has redeemed 29,73,300 6.50% Non-Cumulative Redeemable Preference shares and 4,17,000 10.00% Non-Cumulative Redeemable Preference shares. Besides, company has not undertaken any other major activities like;

- (i) Public/Right/Preferential issue of shares/debentures/ borrowing/sweat equity/ESOP etc.
- (ii) buy-back of securities.
- (iii) Major decisions has not been taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/amalgamation/reconstruction, etc.
- (v) Foreign technical collaborations/Joint Ventures etc.

**Annexure – A****[Annexure to the Secretarial Audit Report of M/s. Uttam Sugar Mills Limited  
for the Financial Year ended 31<sup>st</sup> March, 2022]**

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

**For N. K. Rastogi & Associates**  
**Company Secretaries**

**Naveen Kumar Rastogi**  
**FCS No. 3685**  
**C. P. No. 3785**  
**Proprietor**

**Place : Delhi**

**Date : 10<sup>th</sup> August, 2022**

**UDIN: F003685D000772992**

**(Annexure – II)****PARTICULARS OF EMPLOYEES****STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED UPTO DATE**

The information required under Section 197 of the Act and the Rules made thereunder in respect of employees of the Company are as follows:-

- (a) The median remuneration of employees of the Company during the financial year was Rs. 4.00 Lakhs. The ratio of the remuneration of each Director to the Median Remuneration of the employees of the Company for the financial year 2021-22 are as under:

Directors	Designation	Remuneration of Directors in Financial Year 2021-22 (Rs. In Lakhs)	Ratio of Remuneration to Median Remuneration of Employees
Mr. Raj Kumar Adlakha	Managing Director	612.96	153.238
Mr. Shankar Lal Sharma	Whole-Time Director	71.42	17.855
Mr. G. S. Matta	Non-Executive Non-Independent Director	13.75	3.437
Mr. N. K. Sawhney	Independent Director	13.75	3.437
Mrs. Rutuja Rajendra More	Independent Director	13.25	3.312
Mr. Jasbir Singh	Independent Director	13.75	3.437

- (b) The percentage increase in remuneration of each Director\*, Chief Financial Officer and Company Secretary in the financial year:

Name of Person	Designation	Remuneration of KMP in Financial Year 2020-21	Remuneration of KMP in Financial Year 2021-22	% Increase/ (Decrease) in remuneration
Mr. Raj Kumar Adlakha	Managing Director	533.79	612.96	14.83
Mr. Shankar Lal Sharma <sup>#</sup>	Whole-Time Director	58.00	66.00	13.79
Mr. G. S. Matta*	Non-Executive Non-Independent Director	1.40	13.75	-
Mr. N. K. Sawhney*	Independent Director	1.40	13.75	-
Mrs. Rutuja Rajendra More*	Independent Director	1.00	13.25	-
Mr. Jasbir Singh*	Independent Director	0.70	13.75	-
Mr. Sanjay Bhandari	Chief Financial Officer	59.30	65.64	10.69
Mr. Gopalaiyer Ramarathnam	Chief Legal and corporate Affairs and Company Secretary	35.76	37.32	4.36
Mr. Rajesh Garg <sup>#</sup>	Joint Company Secretary and Compliance Officer	32.02	35.18	9.88

<sup>#</sup>Mr. Shankar Lal Sharma and Mr. Rajesh Garg have been appointed as Whole-Time Director and Joint Company Secretary and Compliance Officer respectively w.e.f. 07<sup>th</sup> January, 2021. However they were working throughout the financial year 2020-21. Accordingly, for above said calculation their salary has been taken for whole financial year 2020-21.

\*Only sitting fee paid to Non-Executive Directors in the financial year 2020-21. W.e.f 01.04.2021 the Company has started payment of remuneration to Non-Executive Directors (including Independent Directors). Hence, the remuneration of Non-Executive Directors is not comparable with last Financial Year.

- (c) The percentage increase in the Median Remuneration of employees in the financial year was 24.77%.
- (d) The number of permanent employees on the rolls of Company: The number of permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2022 was 746 (Other than Seasonal employees and Contractual Labour).
- (e) Average percentage increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentage increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:
- (f) Affirmation that the remuneration is as per the Remuneration Policy of the Company: The Company affirms that the remuneration paid during the year was as per the Remuneration Policy of the Company.
- The average increase in the salaries of employees in 2021-22 was 9.24%. Percentage increase in the Managerial Remuneration for the year was 14.73%. The increase in the remuneration of Managerial Remuneration was keeping in view the limits as laid down in the Companies Act, 2013 read with relevant rules and HR policy of the Company. The increase in the remuneration of employees was also in line with the HR policy of the Company.

**STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- a) Name of top ten employees in terms of salary drawn are mentioned below:

S No.	Name of Employee(s)	Remuneration Drawn (In Lakh)	Designation	Nature of Employment	Qualification	Experience	Age in Years	Date of Commencement of Employment	Last Employment	Equity Share held (%)
1	Mr. Raj Kumar Adlakha	612.96	Managing Director	Permanent	B.E. (Mech.)	43	66	N.A.	N.A.	1624610 (4.26%)
2	Mr. Shankar Lal Sharma	71.42	Executive Director	Permanent	B.Com, C.A.	25	48	04.07.2013	Bhushan Steel Limited	Nil
3	Mr. Sanjay Bhandari	65.80	Chief Financial Officer	Permanent	C.A.	36	56	27.01.2007	Willard India Ltd.	Nil
4	Mr. Narpal Singh	57.62	Joint President – Barkatpur Unit	Permanent	B.A	37	61	04.06.2018	Oudh Sugar Mills Ltd.	Nil
5	Mr. Anil Kumar Sharma	50.50	Sr. Vice President – Shermau Unit	Permanent	B.Sc, LL.B	28	64	14.08.2017	Simbhaoli Sugars Limited	Nil
6	Mr. Lokendra Singh Lamba	45.00	Sr. Vice President - Libberheri Unit	Permanent	B. Sc. (Ag.), Dip. In Comp. Application	29	54	11.10.2014	Bajaj Hindusthan Ltd.	Nil
7	Mr. J. P. Tripathi	39.50	Vice President (Distillery)	Permanent	B.Sc, P.G DIFAT	44	67	13.03.2013	Sir Shadilal Dist. & Chem. Works	Nil
8	Mr. I. Rajarathinam	39.20	Vice President (Power Plant)	Permanent	B.E (Mech.)	50	29	17.10.2008	Birla Sugar	Nil



PARTICULARS OF EMPLOYEES

S No.	Name of Employee(s)	Remuneration Drawn (In Lakh)	Designation	Nature of Employment	Qualification	Experience	Age in Years	Date of Commencement of Employment	Last Employment	Equity Share held (%)
9	Mr. J. N. Sharma	37.40	Technical Advisor	Permanent	B.E, Dip. in Mech. Engg, AMIE (Mech.)	53	74	16.11.1996	ISGEC	Nil
10	Mr. G. Ramarithnam	37.32	Chief-Legal and Corp. Affairs & Company Secretary	Permanent	B.Com, LL.B, FCA, FCS, ACMA	56	80	01.06.2001	Oriental Carbon & Chemicals Limited	Nil

**Note:** None of the above mentioned employee is relative of any Director of the Company.

- b) Name of employee employed throughout the financial year and was in receipt of remuneration not less than One Crore and Two Lakh rupees or more: **Mr. Raj Kumar Adlakha (Managing Director)**
- c) Name of employee employed for a part of the financial year and was in receipt of remuneration not less than Eight Lakh and Fifty Thousand rupees per month: **Nil**
- d) Name of the employee employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: **Nil**

**(Annexure III)****Conservation of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo**

[In Compliance with the provisions of Section 134 (3)(m) of The Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014]

**(A) Conservation of Energy:-****i) The steps taken or impact on conservation of energy:**

- Installation of number of Variable Frequency Drive (VFD) for operation of higher capacity motors in boilers, spray pump, juice handling and injection house sections of the plants.
- 500 KVAR and Power Capacitors were added in clarification house for improving power factor, resulting in reduction in operational losses.
- 300 KVAR capacitors were installed in various sections of the plant for improving power factor, resulting in reduction in operational losses.
- Use of LED Lights being encouraged replacing of mercury/ sodium vapor lamps heating resulting saving in power. Some of the high power consuming 250 Watt mercury/sodium vapor lamps were replaced by low power consuming 150 Watt LED lights for energy conservation and 100 watt pin type bulbs were replaced by LED bulb of 9-12 Watt resulting saving in power.
- Automation of level control of cold water over head tank was done which reduced operation timings of service water pumps resulting in saving in power.
- In view of the corporate policy for reducing ground water extraction, we increased reuse / recirculation of the condensate, generated during juice boiling, back into the process. Consequently, the ground water extraction got substantially reduced in all the plants

resulting in saving of power alongwith saving in steam on cane.

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

- All the four sugar factories have bagasse based co-generation power plants, partly used for captive consumption and balance being exported to U.P. / Uttarakhand Power Corporation Ltd.
- Recycling of process water to conserve natural resources.

**iii) The capital investment on energy conservation equipments : Rs. 1,081.77 Lakhs****(B) Technology Absorption:-**

- The efforts made towards technology absorption:- Not Applicable
- The benefits derived like product improvement, cost reduction, product development or import substitution:- Not Applicable
- Details regarding imported technology (imported during last three years reckoned from the beginning of the financial year) :
- 

(a) The details of technology imported	Nil
(b) The year of import	Not Applicable
(c) Whether the technology been fully absorbed	Not Applicable
(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof	Not Applicable

- Expenditure incurred on Research & Development - NIL

**(C) Foreign Exchange Earnings and Outgo**

(Rs. in Lakhs)

PARTICULARS	Period Ended	
	31.03.2022	31.03.2021
Earnings:- Export Sales (F.O.B Value)	9.81	34.24
Advance received for export sales of finished goods	-	-
Outgo:- a) Travelling Expenditure	-	-
b) Professional Charges	-	-
c) Repair & Maintenance	-	-
d) Purchase of Fixed Assets	-	-

**(Annexure IV)****Annual Report on Corporate Social Responsibility**

[In Compliance of Section 135 of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

**1. Brief outline on CSR Policy of the Company:**

Uttam Sugar Mills Limited (USML) is committed to contribute towards Corporate Social Responsibility. The Company has taken various steps to meet society's expectations and welfare of the people. The company implemented the social activities in the neighboring villages of Company's factories/other areas for the welfare of the general public living therein. The Company has in place a Corporate Social Responsibility (CSR) Committee as per the requirement of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, amended time to time.

The Board of Directors (Board) adopted the CSR Policy which is available on the Company's website.

**2. The composition of CSR Committee :-**

S. No.	Name of Directors	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. Raj Kumar Adlakha	Managing Director	1	1
2.	Mr. Shankar Lal Sharma	Whole-Time Director	1	1
3.	Mr. Narendra Kumar Sawhney	Non-Executive & Independent Director	1	1

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

The CSR policy of the Company has been displayed on the website of the Company and is available at the following web link:

[http://uttamsugar.in/adminpanel/product\\_image/0fe80304b5df11cc35569799b8d1445bCorporate\\_Social\\_Responsibility\\_Policy.pdf](http://uttamsugar.in/adminpanel/product_image/0fe80304b5df11cc35569799b8d1445bCorporate_Social_Responsibility_Policy.pdf)

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable******5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable****

S. No.	Financial Year	Amount available for set-off from preceding financial years (Rs in Lakhs)	Amount required to be set- off for the financial year, if any (Rs in Lakhs)
1.	2019-20	-	-
2.	2020-21	-	-
3.	2021-22	-	-
	<b>Total</b>	-	-

**6. Average net profit of the Company as per Section 135 (5) for Rs. 9455.13 Lakhs last three financial years:****7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 189.10 Lakhs**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c) : Rs. 189.10 Lakhs

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

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 235.13 Lakhs	Nil	-	-	Nil	-

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (Rs. in Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Eradicating hunger, poverty and malnutrition, promoting health care & providing safe drinking water	Items (i) of Sch. VII of the Companies Act, 2013	Yes	Uttarakhand Uttar Pradesh	- District Haridwar, Uttarakhand - District Bijnore, U.P. - District Muzaffarnagar, U.P. - District Saharanpur, U.P.	80.67	Direct	-	-
2.	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects	Items (ii) of Sch. VII of the Companies Act, 2013	Yes	Uttar Pradesh	- District Bijnore, U.P.	1.15	Direct	-	-

3.	Rural Development Projects	Items (x) of Sch.VII of the Companies Act, 2013	Yes	Uttarakhand Uttar Pradesh	- District Haridwar, Uttarakhand - District Bijnore, U.P. - District Muzaffarnagar, U.P. - District Saharanpur, U.P.	153.31	Direct	-	-
<b>TOTAL</b>						<b>235.53</b>			

- (d) Amount spent in Administrative Overheads : Nil  
(e) Amount spent on Impact Assessment, if applicable : Not Applicable  
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 235.13 Lakhs  
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	189.10
(ii)	Total amount spent for the Financial Year	235.13
(iii)	Excess amount spent for the financial year [(ii)-(i)]	46.03
(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)]	46.03

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Lakhs)	Amount spent in the Reporting Financial Year (Rs. in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (Rs. in Lakhs)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.							
2.							
3.							
<b>TOTAL</b>							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):
- (a) Date of creation or acquisition of the capital asset(s): **Not Applicable**
  - (b) Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**
  - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: **Not Applicable**
  - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**
11. 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**

**A responsibility statement of the CSR Committee:**

The Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**For and on behalf of the Board  
For UTTAM SUGAR MILLS LIMITED**

**Place : Noida**

**Date : 10<sup>th</sup> August, 2022**

**(RAJ KUMAR ADLAKHA)  
MANAGING DIRECTOR  
(DIN : 00133256)**

**(SHANKAR LAL SHARMA)  
EXECUTIVE DIRECTOR  
(DIN : 09018381)**

**(Annexure V)**  
**Business Responsibility Report**

**About this report:**

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the Listing Regulations"), prescribe that the Top 1000 companies based on market capitalization as on March 31<sup>st</sup> of every financial year, are required to have "Business Responsibility Report" as part of their Annual Report. Since the Company is one of the Top 1000 companies based on market capitalization, following is the Business Responsibility Report ("the Report") of the Company for the financial year 2021-22.

**SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

1.	<b>Corporate Identity Number (CIN) of the Company:</b>	L99999UR1993PLC032518	
2.	<b>Name of the Company:</b>	Uttam Sugar Mills Limited	
3.	<b>Registered address:</b>	Village Libberheri, Tehsil Roorkee, District Haridwar Uttarakhand-247667	
4.	<b>Website:</b>	www.uttamsugar.in	
5.	<b>E-mail id:</b>	<a href="mailto:investorrelation@uttamsugar.in">investorrelation@uttamsugar.in</a>	
6.	<b>Financial Year reported:</b>	2021-22	
7.	<b>Sector(s) that the Company is engaged in (industrial activity code-wise):</b>	Manufacturing of Sugar	10721
		Production of Industrial Alcohol	1101
		Generation of Power	35106
8.	<b>List three key products/services that the Company manufactures/provides (as in balance sheet):</b>	1. Sugar 2. Industrial Alcohol 3. Power (Co-generation)	
9.	<b>Total number of locations where business activity is undertaken by the Company:</b>	Number of International Locations (Provide details of major 5)	Not Applicable
		Number of National Locations	The Company carries out its operations through its registered office at Libberheri (Roorkee) and its corporate office at Noida <b>Manufacturing Units</b> Libberheri-(Uttarakhand) Barkatpur-(Uttar Pradesh) Khaikheri-(Uttar Pradesh) Shermau-(Uttar Pradesh).
10.	<b>Markets served by the Company – Local/State/National/International:</b>	We serve all 4 areas (Local/State/National/International).	

**SECTION B: FINANCIAL DETAILS OF THE COMPANY**

1.	Paid up Equity Capital (INR)	38,13,81,200
2.	Total Turnover (INR)	2,03,434.59 Lakhs
3.	Total Profit after taxes (INR)	13,492.02 Lakhs
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹235.13 Lakhs, i.e., more than 2% of average net profit of last three financial years
5.	List of activities in which expenditure in 4 above has been incurred:-	Please refer to Annexure IV to the Board's Report forming part of this Annual Report.

**SECTION C: OTHER DETAILS**

1.	Does the Company have any Subsidiary Company/ Companies	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

**SECTION D: BR INFORMATION****1. Details of Director/Directors responsible for BR****(a) Details of the Director/Director responsible for implementation of the BR policy/policies.**

DIN	Name of Director (s)	Designation
00133256	Mr. Raj Kumar Adlakha	Managing Director
09018381	Mr. Shankar Lal Sharma	Whole Time Director
02612602	Mr. G. S. Matta	Non-Executive Non-Independent Director
00109853	Mr. N. K. Sawhney	Non-Executive Independent Director
07201928	Mrs. Rutuja Rajendra More	Non-Executive Independent Director
08897793	Mr. Jasbir Singh	Non-Executive Independent Director

**(b) Details of the BR head**

S. No.	Particulars	Details
1.	DIN Number (if applicable)	00133256
2.	Name	Mr. Raj Kumar Adlakha
3.	Designation	Managing Director
4.	Telephone number	0120-4525000
5.	e-mail id	<a href="mailto:investorrelation@uttamsugar.in">investorrelation@uttamsugar.in</a>

**2. Principle-wise (as per NVGs) BR Policy/policies**

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 - Businesses should promote the wellbeing of all employees.

P4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 - Businesses should respect and promote human rights.

P6 - Businesses should respect, protect, and make efforts to restore the environment.

P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 - Businesses should support inclusive growth and equitable development.

P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.



**(a) Details of compliance (Reply in Y/N)**

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for ....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any National/ International Standards? If yes, specify? (50 words)	Yes, the Company's Business Responsibility Policy is based on the "National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business" released by the Ministry of Corporate Affairs, Government of India. Apart from this, the policies on the principles are based on the generally accepted practices for the respective principles.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, the Board of Directors of the Company has approved the Policy at their meeting and it has been signed by the Company Secretary, pursuant to the authorization by the Board.								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	<a href="http://uttamsugar.in/adminpanel/product_image/3d6a3aa94f8cd17371be0775d8321944BRR_Policy%20-%20USML.pdf">http://uttamsugar.in/adminpanel/product_image/3d6a3aa94f8cd17371be0775d8321944BRR_Policy%20-%20USML.pdf</a>								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Policy has been posted on the Company's website for information of all stakeholders. For internal stakeholders, appropriate communication means like Notice Boards, etc., are used.								
8.	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The implementation of the Business Responsibility Policy was evaluated by the Internal Auditors of the Company.								

**(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	Not Applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

### 3. Governance related to BR

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The Board of Directors has reviewed the BR performance of the Company for the year ended on 31.03.2022 at their meeting held on 16<sup>th</sup> May, 2022 on annual basis.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Being statutory requirement, this report has been compiled and annexed to the duly approved report of the Board of Directors for the Financial Year 2021-22. The report can be viewed at the website of the Company at [www.uttamsugar.in](http://www.uttamsugar.in).

In Financial Year 2021-22, no concerns from stakeholder were received.

#### Principle 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

a) **SUGAR:-** The Company is engaged in manufacturing of sugar including of Sulphur-less Refined Sugar, Double Refined, packed in small packaging, Natural Brown Sugar etc. Our sugar which being produced are regularly matched with NSI standard and norms. Similarly, we are complying and following up all the rules and regulations of FSSAI and our sugar being packed in very hygienic conditions with complying of packaging rules.

b) **ETHANOL AND INDUSTRIAL ALCOHOL:-** Molasses is generated as by-product during the manufacturing of Sugar. It is the raw material for manufacture of Industrial Alcohol and Ethanol. The production of Alcohol and Ethanol is being done at Distillery where the company has ensured Zero Liquid Discharge (ZLD) by the latest process of concentration of Spent wash through Multi Effect Evaporators and incineration of concentrated Spent Wash through slop Boilers. Ethanol being supplied to Oil manufacturing Company for blending with Petrol under the Ethanol Blending Programme (EBP) of Central Government of India. Ethanol is ECO Friendly fuel and helps to save foreign exchange also by reducing import of crude oil.

c) **POWER:-** Company is having the facility of Bagasse based Co-generation of Power which is a great alternative to Fossil Fuels and reduces the gas emission to safeguard the environment. The Power generation based on Bagasse is a renewal source of Energy. The said power is used for captive consumption as well as surplus power is being exported to Uttar Pradesh Power Corporation Ltd (UPPCL) and Uttarakhand Power Corporation Limited under the Power Purchase Agreement with them.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

- (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

The Company continued its efforts to utilize their available resources as by-product like Molasses, being used for manufacturing of Ethanol, Bagasse for generation of Power and Press mud

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No.**

The Company's policies on Ethics, Transparency and Accountability along with the Company's Code of Conduct and Business Ethics ("the Code") are applicable to all directors and employees of the Company. The directors and employees of the Company are expected to read and understand the Code, uphold the standards mentioned thereunder in their day-to-day activities and comply with all applicable laws, rules and regulations. The Company also has in place a Whistle Blower Policy.

2. **Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?**

There is no group structure or joint venture of the Company. The Company does not have any subsidiary. The Company is gradually encouraging parties associated with it like vendors, suppliers, contractors, etc., to follow the principles envisaged in the Policy.

3. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

being used for Bio fertilizer / Bio Manure. All Plants of the Company have installed Effluent Treatment Plants (ETP) to utilize and reuse of water.

**(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Substantial reduction in ground water extraction made by the company during the year by way of recycling of water for different application in plant operation.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)?**

**(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company is procuring Sugar Cane (basic raw material) from farmers around to 50-60% is delivered at Mill Gate and brought by farmers by their own transport arrangements. The balance Sugar Cane being collected at a common place called "CENTRE" and the farmers bring their cane at Centre by their own transport arrangements and the Company arranges the transportation of Sugar Cane from these Centres to Mills through Company's transport arrangements.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

**(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company procures all of its raw materials i.e Sugar Cane from the farmers including small and medium level farmers from the nearby area of the Sugar Mill.

Following steps taken by the Company to improve the capability and capacity of the farmers:

- (i) Varietal replacement with proven high recovery/higher yield varieties.
- ii) Ratoon Management.
- iii) Development of Agri Research Centre.
- iv) Integrated Pest Management program.
- v) Soil Testing Facilities.
- vi) Encouraging use of Bio Fertilizer and Bio Pesticides.
- vii) Training facilities to the Farmer.
- viii) Introduction of latest techniques of farming and use of various mechanical equipment for cultivation.
- ix) Change in methodology in planting.

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Our Company utilize the by-products generated during sugar / distillery manufacturing operation

- Molasses is being utilized for manufacturing of Ethanol and Industrial Alcohol.
- Bagasse being used as Bio fuel.
- Waste generated (Spent wash) during distillery operation is also used as a Fuel.
- Press Mud is used as Bio Manure.
- CO<sub>2</sub> generated in Distillery operation is use for Industrial use.
- Ash is being used for Bio Fertilization having high potash generated from the use of spent wash.

Therefore, we are using / recycling of all the products / waste.

**Principle 3**

1.	Please indicate the Total number of employees	<b>3102</b>
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis	<b>1773</b>
3.	Please indicate the Number of permanent women employees	<b>8</b>
4.	Please indicate the Number of permanent employees with disabilities	<b>Nil</b>
5.	Do you have an employee association that is recognized by management	<b>No</b>
6.	What percentage of your permanent employees is members of this recognized employee association	<b>Nil</b>
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	<b>Nil</b>

<b>8.</b>	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
<b>a.</b>	Permanent Employees	<b>70%</b>
<b>b.</b>	Permanent Women Employees	<b>87%</b>
<b>c.</b>	Casual/Temporary/Contractual Employees	<b>8.10%</b>
<b>d.</b>	Employees with Disabilities	<b>NA</b>

#### **Principle 4**

**1. Has the company mapped its internal and external stakeholders? Yes/No**

Yes

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

The Company identifies the small farmers with very small land holdings around its units as disadvantaged, vulnerable & marginalized stakeholders. The Company continuously engages with majority of them for identifying their needs & priorities and provides need based resolution to their problems. We are committed towards proactively engaging with our farmers particularly small farmers, our employees, communities, and take various initiatives, like carrying out CSR activities for them.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Developmental activities are carried out by the Company by providing necessary guidance to the small and marginalized cane growers towards selection of right variety of seed and agri-inputs, etc.

#### **Principle 5**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ Others?**

The Company's policy on Respecting and Promoting Human Rights is applicable to all directors and employees of the Company. There is no group structure or joint venture of the Company. The Company doesn't have any subsidiary. The vendors, suppliers, contractors, etc., associated with the Company are always encouraged to maintain ethical standards in all their practices.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

No complaint was received pertaining to human rights violation during the financial year.

#### **Principle 6**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ others**

The Company's policies on Respecting, Promoting and Restoring the Environment and in relation to Environment, Health & Safety (EHS) are applicable to all directors and employees of the Company. There is no group structure or joint venture of the Company. The Company doesn't have any subsidiary. The vendors, suppliers, contractors, etc., associated with the Company are always encouraged to maintain ethical standards envisaged in the Policy. The EHS Policy also covers the contractors engaged by the Company.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Global environment issues such as climate change, global warming, GHG emissions pose challenges to all. The Company is totally committed to reduce their impact. At the captive power plants, Bagasses (waste generated) is used as fuel for generating power. At the Distillery, Spent Wash (effluent generated) is mixed with Bagasse and used as fuel in boilers to generate clean energy with minimal carbon footprint by incineration process.

There is no usage of non-renewal resources except in case of power outages/emergency. The Company has installed ESP and wet scrubbers at the boilers to arrest / control air pollution.

**3. Does the company identify and assess potential environmental risks? Y/N**

Yes.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

No.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.Y/N. If yes, please give hyperlink for web page etc.**

Yes, the Company has undertaken several initiatives on clean technology, energy efficiency, renewable energy, etc. The Company has achieved spectacular results in utilization of hazardous and pollutant industrial waste namely Spent Wash. This waste is used as a fuel at the incineration boilers of the Company for generating clean energy.

Further details relating to conservation of energy can be found in Annexure IV forming part of the Board’s Report.

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

All the emissions/waste generated by the Company are within the permissible limits given by CPCB / SPCB.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

No show cause/ legal notices from CPCB/SPCB are pending as on 31<sup>st</sup> March, 2022.

**Principle 7**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Indian Sugar Mills Association,  
UP Sugar Mills Association,  
UP Sugar Mills Co Gen Association.

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No

**Principle 8**

**1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof. CSR activities are carried on by the Company through:**

The details of programmes/ initiatives/ projects in pursuit of the CSR policy are also provided in the CSR Report forming part of the Board’s Report

**2. Are the programmes/projects undertaken through in-house team/own foundation external NGO/government structures/any other organization?**

The Company undertakes CSR initiative through in-house team.

**3. Have you done any impact assessment of your initiative?**

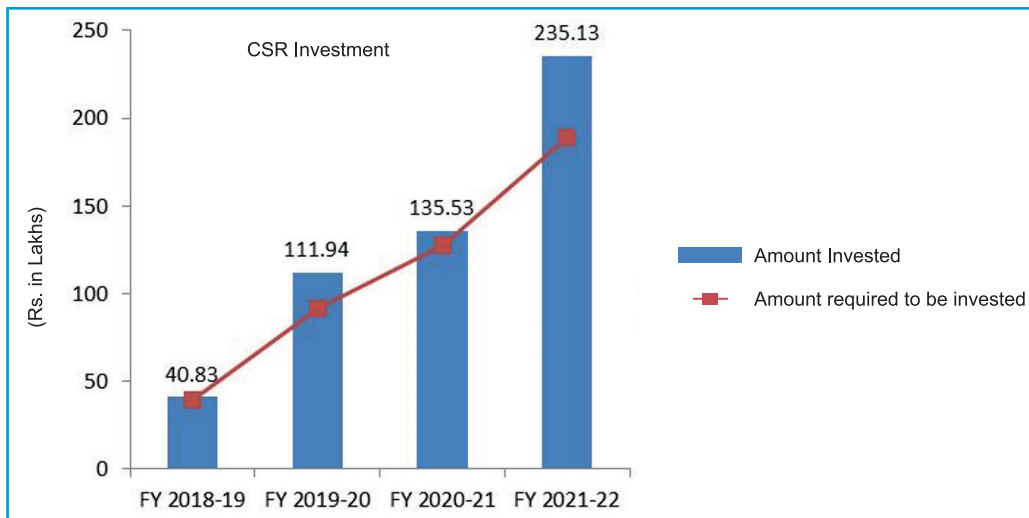
Yes

**4. What is your company’s direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

The Company has spent an amount of ₹ 235.13 Lakhs in various CSR activities during the year 2021-22. The details of the amount incurred and areas covered are given in Annexure - IV (Annual Report on Corporate Social Responsibility Activities) forming part of the Board’s Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes, Initiative undertaken by the Company under CSR is tracked to check whether the community is being benefited by the CSR initiatives of the Company. The Company also interacts with the stakeholders to ensure that its projects are being implemented effectively.



**Principle 9****1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

The Company has not received any complaint during the financial year ended 31st March, 2022 and no complaint is pending.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)**

Yes, the applicable product information, wherever it is sold in packed condition (i.e. Sugar), is displayed on the bags. Besides, the Company complies with the applicable regulations as provided in Legal Metrology Act, Food Safety and Standards Act and the relevant rules prescribed therein.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

The Company never indulges in any unfair trade practices, irresponsible advertising and/

or anti-competitive behavior, however, CCI has ordered investigation against the Oil Marketing Companies (OMCs), ISMA and various Sugar Mills (including the Company) on the basis of a complaint made in this behalf in respect of anti-competitive behavior in the tender floated by OMCs in 2012-13 for procurement of Ethanol under the Ethanol Blending with Petrol programme of the Government of India. The said allegation has been contested by the Company. In this regard, CCI has passed an Order dated 18<sup>th</sup> September, 2018, inter alia, imposing a penalty of 78.14 Lakhs on the Company. The CCI Order has been challenged by the Company before the Hon'ble NCLAT and the said Tribunal has stayed the CCI Order so far as it relates to the penalty amount subject to deposit of 10% of the penalty amount, which has been complied by the Company. The outcome of the said appeal before the Hon'ble NCLAT is pending at the end of the financial year under report.

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

No.

**For and on behalf of the Board  
FOR UTTAM SUGAR MILLS LIMITED**

Place : Noida

Date : 10<sup>th</sup> August, 2022

**(RAJ KUMAR ADLAKHA)  
MANAGING DIRECTOR  
(DIN : 00133256)**

**(SHANKAR LAL SHARMA)  
EXECUTIVE DIRECTOR  
(DIN : 09018381)**

## (Annexure – VI)

**CORPORATE GOVERNANCE REPORT 2021-22****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Uttam Sugar Mills Limited is committed to produce high quality sugar and value added by-products and strives for continuous improvement in all its activities. Uttam Management strives to create long term value for its Shareholders. We also believe in good Corporate Governance which is essential for achieving long term corporate goals. We are committed to implement sound Corporate Governance practices to ensure transparency in the operations.

Your Company is fully compliant with all the provisions of the Companies Act, 2013, Listing Regulations, and other applicable rules & bye laws. The disclosures as required in para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:-

**2. BOARD OF DIRECTORS****A. Composition of the Board:-**

The Board of Directors of the Company comprises of 7 (Seven) Directors at present. Out of them two are Executive Directors and Five are Non-Executive Directors. The Board of the Company is duly constituted as per the requirements of the Companies Act, 2013 read with rules made thereunder and Listing Regulations. The composition and category of Directors of the Company during the year are as follows:

Name of Director(s)	Designation	Category
Mr. Raj Kumar Adlakha	Managing Director	Promoter & Executive
Mr. Shankar Lal Sharma	Whole-Time Director	Non-Promoter & Executive
Mr. G. S. Matta	Director	Non-Executive & Non-Independent
Mr. N. K. Sawhney	Director	Non-Executive & Independent
Mrs. Rutuja Rajendra More	Director	Non-Executive & Independent
Mr. Jasbir Singh	Director	Non-Executive & Independent
Mr. Ravi Kumar*	Director	Non-Executive & Independent

\* Mr. Ravi Kumar has been appointed as an Additional Cum Independent Director w.e.f. 10<sup>th</sup> August, 2022.

All the Directors have given disclosures of Interest as required in the Companies Act, 2013 and rules made there under.

As per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors on the Company's Board are Non-Executive Directors.

**B. Attendance of each Director at Board Meetings and last AGM:-**

During the Financial Year 2021-22, 5 (Five) Board Meetings were held and all the meeting of the Board were convened as per the requirements of the Companies Act, 2013 and other applicable laws. Director's attendance at the Board meetings and in the Last AGM is as follows:-

Name of Director(s)	No. of Board Meetings Attended	Attendance at Last AGM held on 17 <sup>th</sup> September, 2021
Mr. Raj Kumar Adlakha	5	Yes
Mr. Shankar Lal Sharma	5	Yes
Mr. G. S. Matta	5	Yes
Mr. N. K. Sawhney	5	Yes
Mrs. Rutuja Rajendra More	5	Yes
Mr. Jasbir Singh	5	Yes

### C. Number of other companies in which any director of the Company is a director and Membership/ Chairmanship of committees:

Details of Directorship in other Companies and chairmanship/membership in other Committees are as follows:-

Name of Director(s)	No. of Other Directorships and Committee Memberships/Chairmanships			
	Directorship in Other Listed Company	Other Directorships	Membership (s) of Committees# of other Companies	Chairmanship(s) of Committees# of other Companies
Mr. Raj Kumar Adlakha	-	12	-	-
Mr. Shankar Lal Sharma	-	-	-	-
Mr. G. S. Matta	1*	-	-	-
Mr. N. K. Sawhney	-	1	-	-
Mrs. Rutuja Rajendra More	-	-	-	-
Mr. Jasbir Singh	-	-	-	-

\*Mr. G.S. Matta is also an Independent Director in Chamak Holdings Limited.

#Represents Audit Committee and Stakeholders Relationship Committee.

### D. Details of Board Meetings held during the year ended 31<sup>st</sup> March, 2022 :

The Details of the meetings of Board of Directors held during the year are as follows:

S. No.	Date of Meeting	No. of Directors Present
1.	04.05.2021	6
2.	14.06.2021	6
3.	13.08.2021	6
4.	28.10.2021	6
5.	05.02.2022	6

- All the Board meeting were duly convened within the time gap as allowed by MCA/SEBI.

### E. Relationships Between Directors:

No Director is related to any other Director and Key Managerial Personnel on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

### F. Details of shareholding of Directors are as under:

The details of shareholding of Directors in the Company are as under:

S. No.	Name of Director	Shareholding
1.	Mr. Raj Kumar Adlakha	16,24,610 Eq. Shares
2.	Mr. Shankar Lal Sharma	Nil
3.	Mr. G. S. Matta	Nil
4.	Mr. N. K. Sawhney	Nil
5.	Mrs. Rutuja Rajendra More	Nil
6.	Mr. Jasbir Singh	Nil

### G. Familiarization Programme for Independent Directors

The Company has a Familiarization programme Module ("the programme") for the Independent Directors ("ID") of the Company. The said programme has been duly adopted by the Board of Directors pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This programme seeks to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates and business model of the company etc.



In terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), one such familiarization programme was conducted during the year on the date of the Board Meeting. Details of Familiarization Programme for Independent Directors is also placed on the website i.e. [www.uttamsugar.in](http://www.uttamsugar.in) and can be accessed at this weblink [http://uttamsugar.in/adminpanel/product\\_image/c9cf1c6fdd331648c70d52093f29a379Annual%20Return.pdf](http://uttamsugar.in/adminpanel/product_image/c9cf1c6fdd331648c70d52093f29a379Annual%20Return.pdf)

#### H. Skill/Expertise/Competence of the Board of Directors

S. No.	Name of Directors	Skill, Expertise and Competence
1.	Mr. Raj Kumar Adlakha	Mr. Raj Kumar Adlakha holds degree in B. E. (Mech). Mr. Adlakha is having more than 43 years of industrial experience in managing the operations of industrial undertakings. He was instrumental in setting up of our four sugar manufacturing units, Co-generation Unit and two Distillery Unit under his leadership.
2.	Mr. Shankar Lal Sharma	Mr. Shankar Lal Sharma is a Chartered Accountant and also holds degree in Bachelor of Commerce. Mr. Sharma is having overall 25 years of experience in different areas like commercial, Accounting, Administration, Production planning, Internal control, Legal, Marketing, Plant operation, Project management, Cost control and Cane management etc. He has a vast experience in various industries viz. Oil, Cement, Paper, Steel and Sugar.
3.	Mr. G. S. Matta	Mr. G. S. Matta has a degree in Bachelor of Science (Hons.) & is a Certified Associate of Indian Institute of Bankers (CAIIB). Mr. Matta is having over 50 years of experience. He has also headed various committees for implementation of Basel II, Core Banking Solutions and Risk Management. He is also a visiting faculty at National Institute of Bank Studies and Corporate Management (NIBSCOM), Noida for lectures on various topics on the Banking Industry like Risk Management, Corporate Governance, Basel II norms, etc.
4.	Mr. N. K. Sawhney	Mr. N.K. Sawhney is an Engineer from IIT Madras, Sugar Technologist from National Sugar Institute, Kanpur and MBA in Finance from Faculty of Management Studies, University of Delhi. Mr. Sawhney has an overall experience of over 51 years with various industries on senior positions. Mr. Sawhney is also a corporate advisor to various Sugar companies.
5.	Mrs. Rutuja Rajendra More	Mrs. Rutuja Rajendra More has a degree in Master of Science (Microbiology). Mrs. More is having 28 years experience in Agricultural Microbiology. She has Specialization in Agricultural microbiology with respect to biofertilizers, biopesticides and composting of Agro industrial wastes and its enrichment. She has authored several Articles relating to Sugarcane Cultivation / Development and also published Research papers from time to time.
6.	Mr. Jasbir Singh	Mr. Jasbir Singh holds degree in B.E (Mech), A.N.S.I (Sugar Engg.) F.S.T.A., M.I.E (India). Mr. Singh is having around 51 years of vast experience with various industries. He is also Director (Technical) with National Forum of Sugar Consultants, New Delhi.
7.	Mr. Ravi Kumar	Mr. Ravi Kumar, a seasoned banker with 30+ years of experience across Corporate Banking, project finance, credit delivery, Credit Monitoring, risk assessment & risk mitigation, stress asset management etc. He was part of the top management of IDBI Bank Ltd till April 2021 and was managing portfolio of large/mid corporate group. The role included leading, strategising, directing, controlling, monitoring and overseeing all facets of the large corporate portfolio of the Bank. During his long stint with IDBI, he has worked in various leadership positions with IDBI and handled relationships of various large groups, sectors and industries.

- I. The Board is of the opinion that all Independent Directors fulfill the conditions specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and are independent of the management.
- J. During the year under review, none of the Independent Directors resigned from the Board of the Company before the expiry of their term.

### 3. AUDIT COMMITTEE

#### A. Terms of Reference:-

The Audit Committee has been constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's Audit Committee is entrusted with the matters as specified in Section 177 of the Companies Act, 2013 and Part C of schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### B. Composition, Name of Members and Chairman:-

The following Directors are the present members of Audit Committee:-

S. No.	Name	Designation	Category
1.	Mr. Narendra Kumar Sawhney	Chairman	Non-Executive & Independent
2.	Mr. Jasbir Singh	Member	Non-Executive & Independent
3.	Mr. G.S. Matta	Member	Non-Executive & Non Independent

All the Members are financially literate and possess sound knowledge of accounts, audit, finance etc.

#### C. Meetings and Attendance:-

During the Financial Year 2021-22, 5 (Five) Audit Committee Meetings were held on 04.05.2021, 14.06.2021, 13.08.2021, 28.10.2021 and 05.02.2022. The attendance of the members is as follows:-

S. No.	Name	Attendance
1	Mr. N. K. Sawhney	5
2	Mr. Jasbir Singh	5
3	Mr. G. S. Matta	5

Chief Financial Officer is a permanent invitee of the Audit Committee Meetings. Representative of the Statutory Auditors of the Company is also invited to the Audit Committee Meetings alongwith other executives.

Mr. G. Ramarathnam Chief – Legal and Corporate Affairs & Company Secretary and Mr. Rajesh Garg Joint Company Secretary & Compliance Officer acts as secretary to the committee.

### 4. NOMINATION & REMUNERATION COMMITTEE

#### A. Terms of Reference:-

The Nomination and Remuneration Committee has been constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's Nomination & Remuneration committee is entrusted with the matters as specified in Section 178 of the Companies Act, 2013 and para A of Part D of schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### B. Composition, Name of Members and Chairman:-

The following Directors are the present members of Nomination and Remuneration Committee:-

S. No.	Name	Designation	Category
1.	Mr. Narendra Kumar Sawhney	Chairman	Non-Executive & Independent
2.	Mr. Jasbir Singh	Member	Non-Executive & Independent
3.	Mr. G.S. Matta	Member	Non-Executive & Non Independent

**C. Meetings and attendance:-**

During the Financial Year 2021-22, 2 (Two) Nomination and Remuneration Committee meetings were held on 04.05.2021 and 05.02.2022. The attendance of the members is as follows:-

S. No.	Name	Attendance
1.	Mr. Narendra Kumar Sawhney	2
2.	Mr. Jasbir Singh	2
3.	Mr. G.S. Matta	2

**D. Performance evaluation:-**

The criteria for performance evaluation was determined by Nomination and Remuneration Committee and includes attendance and preparedness for the meetings, contribution at meetings, effective decision making ability and providing strategic perspective. The committee also considered involvement of each director in their respective meetings and decision making thereof. The committee also take parameters such as level of engagement, independence of judgment, competition challenges and meeting the risk management compliances, due diligence, financial controls, safeguarding the interest of the company and its minority shareholders. The Criteria framed by Nomination and Remuneration Committee was also duly adopted by the Board.

In view of the above criteria, the Nomination and Remuneration Committee during the year has done the annual performance evaluation of the Board, Independent Directors, Non-executive Directors, Executive Directors, Committees and the Chairman of the Board. The committee also reviewed the declaration received from the Directors of the Company and confirmed that none of the Directors becomes disqualified under the Companies Act, 2013, rules made there under and under Listing Regulations. The Report on Performance Evaluation as prepared by the committee was submitted to the Board and Board took note of the same.

**5. REMUNERATION OF DIRECTORS**

The Company has in place a remuneration policy which is guided by the principles and objectives as enumerated in Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Managing Director and Whole Time Director are the Executive Directors on the Board. The remuneration to the Executive Directors is within the scale approved by the shareholders.

The Company has not paid any sitting fees to Executive Directors for any Board / Committee Meetings attended by them. All Non-Executive Directors were paid sitting fees for the Board / Audit Committee Meetings attended by them during the Financial Year 2021-22. Apart from sitting fee Company is paying monthly remuneration to each Non-Executive Director including Independent Directors of the Company for their active guidance and participation in steering the company's affairs. The remuneration to the Non-Executive Directors including Independent Director is within the scale approved by the shareholders.

**Details of remuneration and Sitting fee paid to the Directors for the year ended 31<sup>st</sup> March, 2022 are as under:-**

The remuneration paid to Managing Director, Whole-Time Director and all other Non – Executive Directors including Independent Directors of the Company for the financial year ended on 31<sup>st</sup> March, 2022 are as follows:-

(Rs. in Lakhs)

S. No.	Name of the Directors	Salary	Perquisites / Benefits	Commission / Bonus	Sitting Fee	Total	Service Contracts
1.	Mr. Raj Kumar Adlakha	408.00	9.96	195.00	-	612.96	Re-appointed as Managing Director upto 31.03.2024 by the shareholders of the Company in the 26 <sup>th</sup> AGM upto 31 <sup>st</sup> March, 2024
2.	Mr. Shankar Lal Sharma	43.37	28.05	-	-	71.42	Appointed as Executive Director by the shareholders of the Company in the 26 <sup>th</sup> AGM upto 31 <sup>st</sup> December, 2023.

S. No.	Name of the Directors	Salary	Perquisites / Benefits	Commission / Bonus	Sitting Fee	Total	Service Contracts
3.	Mr. G. S. Matta	12.00	-	-	1.75	13.75	Appointed as an Non-Executive Non Independent Director by the shareholders of the Company in the 26 <sup>th</sup> AGM upto 29 <sup>th</sup> September, 2025.
4.	Mr. N. K. Sawhney	12.00	-	-	1.75	13.75	Re-appointed as an Independent Director by the shareholders of the Company in the 24 <sup>th</sup> AGM upto 19 <sup>th</sup> September, 2024.
5.	Mrs. Rutuja Rajendra More	12.00	-	-	1.25	13.25	Re-appointed as an Independent Director by the shareholders of the Company in the 24 <sup>th</sup> AGM upto 19 <sup>th</sup> September, 2024.
6.	Mr. Jasbir Singh	12.00	-	-	1.75	13.75	Appointed as an Non-Executive Independent Director by the shareholders of the Company in the 26 <sup>th</sup> AGM upto 29 <sup>th</sup> September, 2025.

#### Disclosures as required under Schedule V of the Companies Act, 2013 & SEBI (LODR) Regulations, 2015

- The remuneration paid to Managerial Personnel and Non-Executive Directors are mentioned above. There are no other benefits given to the Directors.
- There are no performance linked incentives given to the directors of the Company.
- There is no notice period and severance fees payable to the Directors.
- The Company has not issued any stock options during the financial year under review.

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

### A. Terms of Reference:-

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place Stakeholders Relationship Committee.

### B. Composition, Name of Members and Chairman:-

The following are the present members of committee:-

S. No.	Name	Designation	Category
1.	Mr. G.S. Matta	Chairman	Non-Executive & Non Independent
2.	Mr. Narendra Kumar Sawhney	Member	Non-Executive & Independent
3.	Mr. Jasbir Singh	Member	Non-Executive & Independent

### C. Meetings and attendance:-

During the Financial Year 2021-22, 5 (Five) Stakeholders Relationship Committee Meetings were held on 14.06.2021, 13.08.2021, 28.10.2021, 05.02.2022 & 30.03.2022.

S. No.	Name	Attendance
1.	Mr. G.S. Matta	5
2.	Mr. Narendra Kumar Sawhney	5
3.	Mr. Jasbir Singh	5

**D. Shareholders Complaints:-**

During the year 2021-22, no complaint was received from Shareholders and there were no pending complaints as on 31<sup>st</sup> March, 2022. Other details pertaining to the Stakeholders Relationship Committee are given below:

a)	Name of Chairman heading the Committee	Mr. G.S. Matta (Non-Executive Non-Independent Director)
b)	Name & Designation of Compliance Officer	Mr. G. Ramarathnam (Chief – Legal and Corporate Affairs & Company Secretary ) Mr. Rajesh Garg (Joint Company Secretary and Compliance Officer)
c)	Number of shareholders' complaints received so far	NIL
d)	Number not solved to the satisfaction of shareholders	NIL
e)	Number of pending complaints	NIL

**7. RISK MANAGEMENT COMMITTEE**

As per Regulation 21 of SEBI (LODR) Regulations, 2015, the risk management committee was constituted by the Board of Directors on 16<sup>th</sup> May, 2022 comprising of combination of Executive Director, Independent Director and Chief Financial Officer. The Risk Management committee is responsible to review, in particular, the Risk Management Policy of the Company, the effectiveness and adequacy of the Risk Management Systems of the Company.

**A. Terms of Reference**

The terms of reference of Risk Management Committee are in conformity with the requirements of Regulation 21 of the Listing Regulations which, inter alia, includes

**(a) Formulation of a detailed risk management policy which shall include:**

- 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;
- Measures for risk mitigation including systems and processes for internal control of identified risks;
- Business continuity plan

**(b) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;****(c) Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.****B. Composition, Name of Members and Chairman:-**

The following are the present members of the committee:-

Name	Designation	Category
Mr. Shankar Lal Sharma	Chairman	Executive Director
Mr. Narendra Kumar Sawhney	Member	Non-Executive & Independent Director
Mr. Sanjay Bhandari	Member	Chief Financial Officer

**C. Meetings and attendance:-**

During the Financial Year 2021-22, no meeting were convened as the committee constituted on 16<sup>th</sup> May, 2022.

## 8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company has in place a Corporate Social Responsibility (CSR) Committee as per the requirement of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, amended time to time. The CSR Policy has been framed by the Committee which can be accessed from the website of the Company.

The following Directors are the present members of CSR Committee :-

Name	Designation	Category
Mr. Raj Kumar Adlakha	Chairman	Promoter & Executive
Mr. Shankar Lal Sharma	Member	Non-Promoter & Executive
Mr. Narendra Kumar Sawhney	Member	Non-Executive Independent Director

The Committee is also responsible to recommend the amount of expenditure to be incurred on the CSR activities and monitoring the implementation of the CSR Policy of the Company from time to time as specified in Schedule VII of the Companies Act, 2013. The schedule containing the details of amount spent on the CSR activities is annexed with the Directors report.

During the year one meeting of the Corporate Social Responsibility Committee was held on 14<sup>th</sup> June, 2021. Mr. Raj Kumar Adlakha, Mr. Shankar Lal Sharma and Mr. Narendra Kumar Sawhney attended the said Meeting.

## 9. GENERAL BODY MEETINGS

a) Details of last three Annual General Meetings and Special Resolutions Passed therein:

Meeting	Date	Venue of AGM	Time	Special Resolutions Passed
24 <sup>th</sup> AGM	20.09.2019	Village Libberheri, Tehsil Roorkee, Distt. Haridwar Uttarakhand-247667	12.00 Noon	<ul style="list-style-type: none"> <li>➤ Confirmation of Continuation of Directorship of Mr. N. K. Sawhney (DIN: 00109853) as an Independent Director.</li> </ul>
				<ul style="list-style-type: none"> <li>➤ Re-appointment of Mr. N. K. Sawhney (DIN: 00109853) as an Independent Director.</li> <li>➤ Re-appointment of Mrs. Rutuja Rajendra More (DIN: 07201928) as an Independent Director.</li> <li>➤ Amendment in the terms and conditions of Remuneration of Mr. Raj Kumar Adlakha (DIN: 00133256), Managing Director w.e.f 01.08.2019.</li> <li>➤ Alteration of Memorandum of Association of the Company.</li> <li>➤ Further Issue of Securities</li> </ul>
25 <sup>th</sup> AGM	25.09.2020	Through video conferencing/Other Audio Visual Means	12.00 Noon	<ul style="list-style-type: none"> <li>➤ Further Issue of Securities</li> </ul>

Meeting	Date	Venue of AGM	Time	Special Resolutions Passed
26 <sup>th</sup> AGM	17.09.2021	Through video conferencing/Other Audio Visual Means	12.00 Noon	<ul style="list-style-type: none"> <li>➤ Appointment of Mr. Shankar Lal Sharma (DIN: 09018381) as an Executive Director.</li> <li>➤ Re-appointment of Mr. Raj Kumar Adlakha (DIN: 00133256), Managing Director.</li> <li>➤ Appointment of Mr. Gurbachan Singh Matta (DIN: 02612602) as Non-Executive Director (Non Independent).</li> <li>➤ Appointment of Mr. Jasbir Singh (DIN: 08897793) as an Independent Director.</li> <li>➤ Payment of Remuneration to Non-Executive Directors including Independent Directors.</li> <li>➤ Further Issue of Securities</li> </ul>

#### b) Resolution passed through Postal Ballot

During the current financial year i.e. 2021-22, the Company has not passed any Special Resolution through Postal Ballot. No resolution is proposed to be passed in the ensuing AGM through postal ballot.

### 10. MEANS OF COMMUNICATION

The Company is publishing financial results (unaudited/ audited), notice, advertisement and other official news in the "The Financial Express" and "Veer Arjun" (vernacular language) regularly. The results have also displayed/ uploaded on the Company's website i.e. [www.uttamsugar.in](http://www.uttamsugar.in).

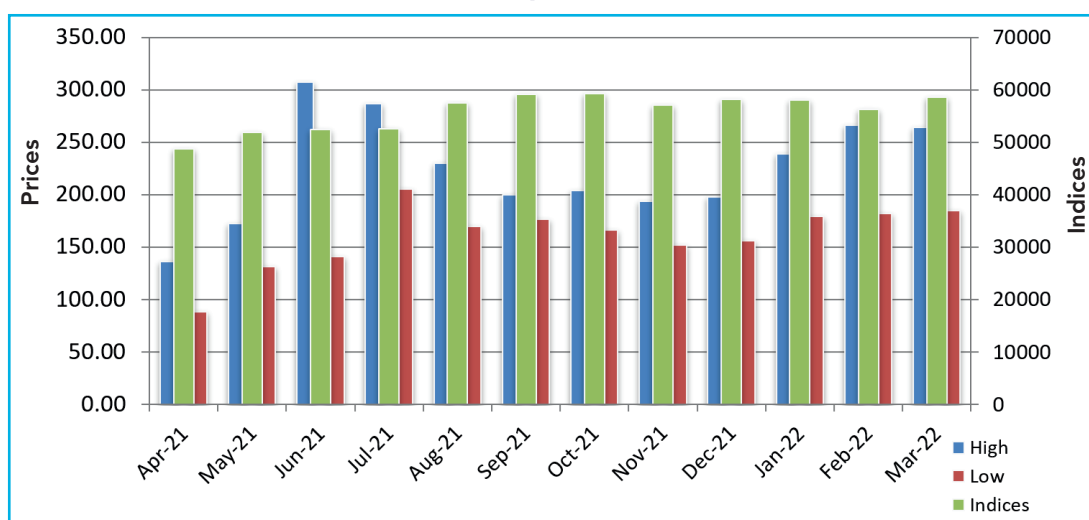
### 11. GENERAL SHAREHOLDER INFORMATION

a)	AGM Date, time and venue	Friday, 23 <sup>rd</sup> September, 2022 at 12.00 Noon through Video Conferencing/ Other Audio Video Means
b)	Financial Year	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022
	Financial Calendar 2022-23 (Tentative Schedule) <b>Results for quarter ending :</b>	
	i. 30 <sup>th</sup> June, 2022	On or before 14 <sup>th</sup> day of August, 2022
	ii. 30 <sup>th</sup> September, 2022	On or before 14 <sup>th</sup> day of November, 2022
	iii. 31 <sup>st</sup> December, 2022	On or before 14 <sup>th</sup> day of February, 2023
	iv. 31 <sup>st</sup> March, 2023	On or before 30 <sup>th</sup> day of May, 2023
	Book Closure Date	Saturday, 17 <sup>th</sup> September, 2022 to Friday, 23 <sup>rd</sup> September, 2022 (both days inclusive).
(c)	Dividend Payment Date	Will be paid within 30 days of AGM
(d)	Listing on Stock Exchange	<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051
		<b>BSE Limited</b> 1 <sup>st</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 <b>Note :</b> Your Company has already paid the Listing fees to both the Stock Exchanges for the F.Y. 2021-22 & F.Y. 2022-23
(e)	Stock Code <b>National Stock Exchange of India Ltd</b> <b>BSE Limited</b>	UTTAMSUGAR 532729

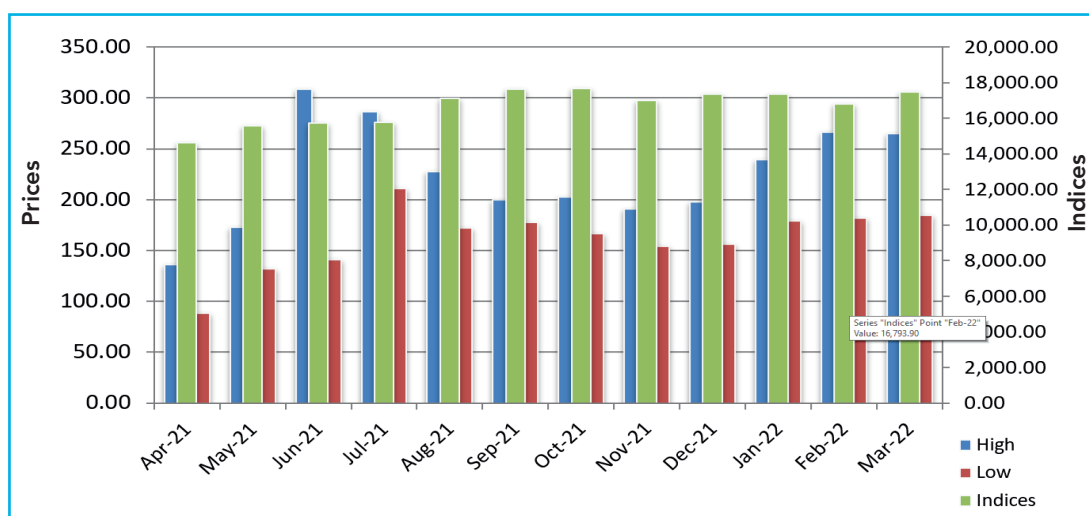
f) Market Price Data High/ Low during each month of the Financial Year 2021-22:  
(BSE Limited and NSE)

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April'21	135.95	88.05	135.95	88.00
May'21	172.35	131.70	172.60	131.80
June'21	307.25	141.00	308.35	141.00
July'21	286.60	205.10	286.50	211.00
August'21	229.95	170.05	227.50	171.85
September'21	200.00	176.35	199.90	178.00
October' 21	204.00	166.25	202.90	166.90
November' 21	194.00	152.30	190.80	154.00
December' 21	198.05	156.00	198.00	156.35
January'22	239.10	179.05	239.40	179.10
February'22	266.00	182.00	266.00	182.00
March'22	264.00	184.50	264.70	190.00

USML Share price BSE Sensex



USML Share price NSE Nifty

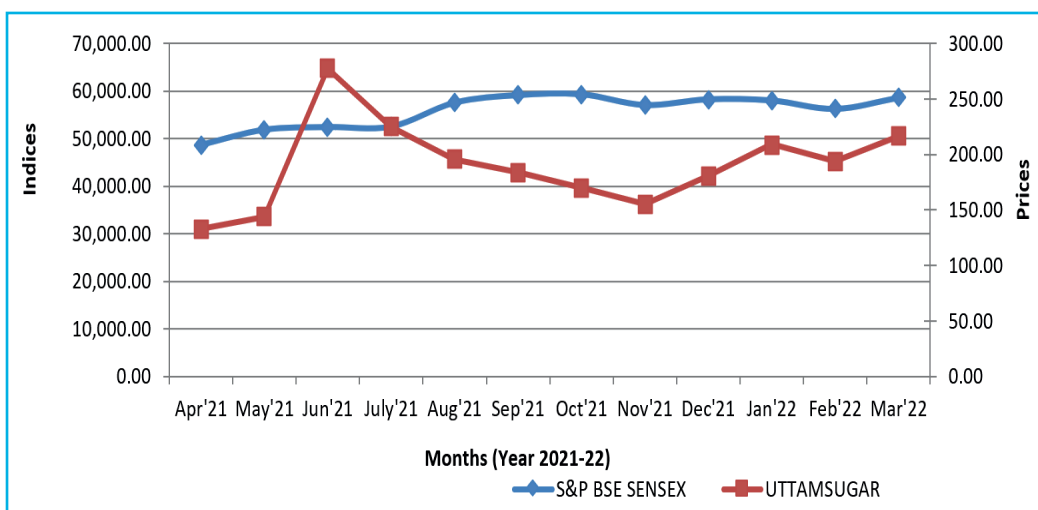




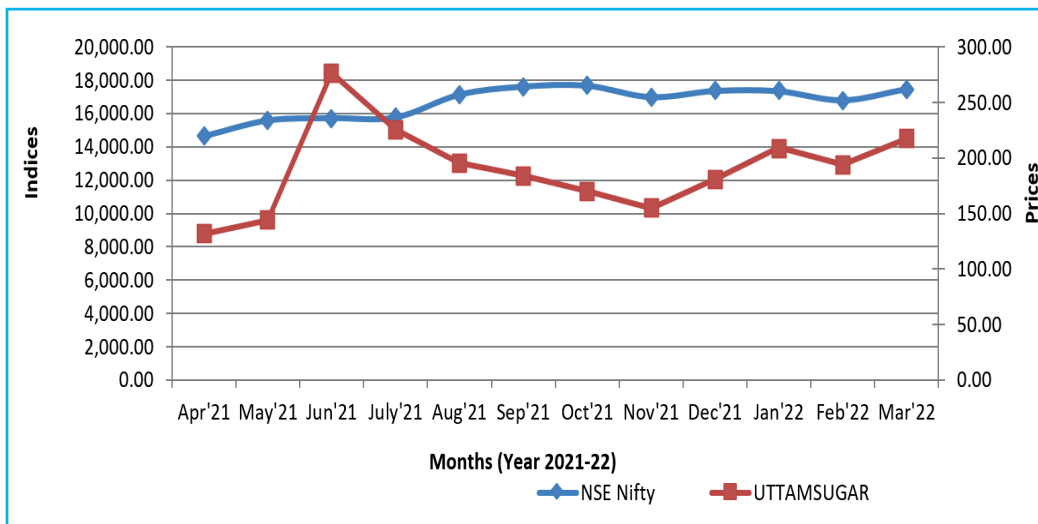
g) Relative performance of Uttam Sugar’s Share versus S&P BSE SENSEX AND NSE Nifty:

Month	BSE		NSE	
	S&P BSE SENSEX	USML Share price	NSE Nifty	USML Share price
April'21	48,782.36	133.10	14,631.10	131.60
May'21	51,937.44	143.70	15,582.80	143.80
June'21	52,482.71	277.10	15,721.50	276.45
July'21	52,586.84	225.00	15,763.05	225.40
August'21	57,552.39	195.75	17,132.20	195.45
September'21	59,126.36	183.85	17,618.15	183.65
October' 21	59,306.93	170.15	17,671.65	170.45
November' 21	57,064.87	155.25	16,983.20	154.85
December' 21	58,253.82	180.70	17,354.05	180.65
January'22	58,014.17	209.10	17,339.85	209.10
February'22	56,247.28	194.20	16,793.90	194.00
March'22	58,568.51	216.70	17,464.75	217.25

USML Share price BSE Sensex



USML Share price CNX NIFTY

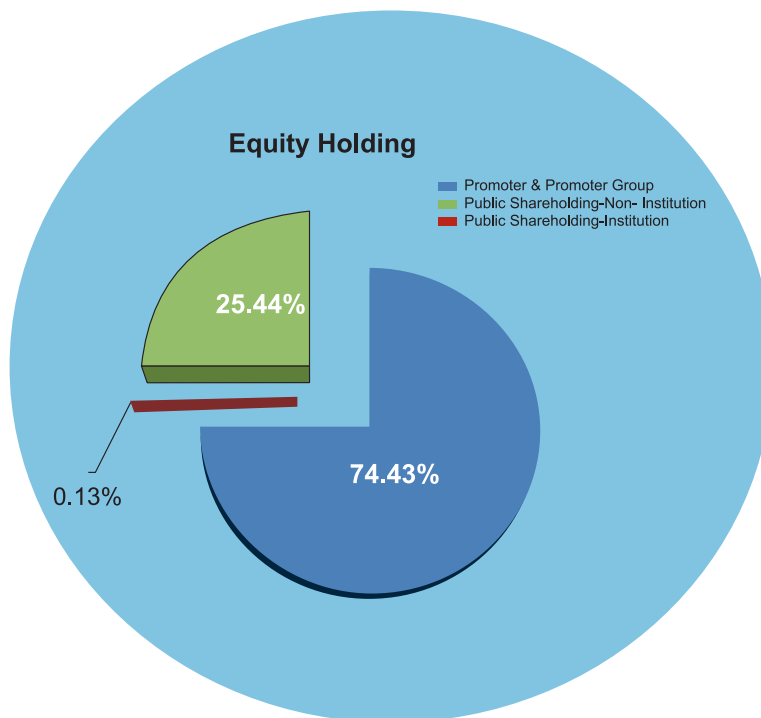


h)	Suspension from trading	There was no suspension of trading of equity shares of the Company ordered by BSE & NSE.
i)	Registrars and Share Transfer Agents (for physical & demat shares)	<b>Link Intime India Private Limited</b> Noble Heights, 1 <sup>st</sup> floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058. Tel. :- 011-4141 0592-94 Telefax :- 011-4141 0591 Email: <a href="mailto:delhi@linkintime.co.in">delhi@linkintime.co.in</a>
j)	Share transfer system	Trading in equity shares of the Company is permitted only in dematerialised form. All valid share transfer requests/demat requests are processed within a period of 15 days from the date of receipt.

k) Distribution of Equity Shareholding as on 31<sup>st</sup> March, 2022

## (i) Category of Equity Shareholders as on 31.03.2022

S. No	Category of Shareholder	Total Number of Equity Shares	% of Shares
<b>(A)</b>	<b>Shareholding of Promoters and Promoters Group</b>		
(1)	Indian		
(a)	Individuals/Hindu Undivided Family	50,54,060	13.25
(b)	Bodies Corporate	2,33,31,381	61.18
(2)	Foreign	-	-
	<b>Total Shareholding of Promoters and Promoters Group (A)</b>	<b>2,83,85,441</b>	<b>74.43</b>
<b>(B)</b>	<b>Public Shareholding</b>		
<b>(1)</b>	<b>Institutions</b>		
(a)	Financial Institutions/Banks	0.00	0.00
(b)	Foreign Portfolio Investors	49,508	0.13
	<b>Sub-Total (B)(1)</b>	<b>49,508</b>	<b>0.13</b>
<b>(B)(2)</b>	<b>Non-Institutions</b>		
(a)	Bodies Corporate	6,52,766	1.71
(b)	NBFCs registered with RBI	-	-
(c)	Individuals :		
(i)	Individual Shareholders holding nominal share capital up to Rs. 2 lakhs	40,08,708	10.51
(ii)	Individual Shareholders holding nominal share capital in excess of Rs. 2 lakhs		
(d)	<b>Any others:</b>	42,44,525	11.13
(i)	Trust	-	-
(ii)	Foreign Nationals (Non-Resident Indians)	1,99,661	0.52
(iii)	Clearing Members	76,662	0.20
(iv)	HUF	5,20,849	1.37
	<b>Sub-Total (B)(2)</b>	<b>97,03,171</b>	<b>25.44</b>
	<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>97,52,679</b>	<b>25.57</b>
	<b>TOTAL (A) + (B)</b>	<b>3,81,38,120</b>	<b>100.00</b>



(ii) Distribution of Equity Shareholding as on the 31.03.2022.

S. No.	No. of Equity Shares held	Number of Shareholders holding shares in each category		No. of shares held in each category	% of Equity Capital held in each category
		No.	%		
1.	1 to 500	24249	94.20	1827920	4.79
2.	501 to 1,000	767	2.98	602803	1.58
3.	1,001 to 2,000	366	1.42	552575	1.45
4.	2,001 to 3,000	117	0.45	292741	0.77
5.	3,001 to 4,000	65	0.25	237095	0.62
6.	4,001 to 5,000	43	0.17	199783	0.52
7.	5,001 to 10,000	64	0.25	482467	1.27
8.	10,001 to above	72	0.28	33942736	89.00
<b>TOTAL</b>		<b>25743</b>	<b>100.00</b>	<b>38138120</b>	<b>100.00</b>

l) Dematerialization of shares and liquidity	As on March 31 <sup>st</sup> , 2022, 3,79,295 Equity Shares of the Company (1.00% of the total issued Equity Capital) were held in physical form and 3,77,58,825 Equity Shares (99.00% of the total issued Equity Capital) were held in dematerialized form. The shares of the Company are listed on BSE and NSE, which provide sufficient liquidity to the investors
m) Outstanding GDRs/ADRs/ Warrants or any Convertible instruments	Not Applicable
n) Commodity price risk or foreign exchange risk and hedging activities	Nil
o) Plant locations	<b>Unit - I</b> Village Libberheri, Tehsil Roorkee, District Haridwar, Uttarakhand <b>Unit - II</b> Village Barkatpur, Tehsil Nazibabad, District Bijnor, U.P.

	<p><b>Unit - III</b> Village Khaikheri, Tehsil &amp; District Muzzaffarnagar, U.P.</p> <p><b>Unit - IV</b> Village Shermau, Tehsil Nakur, Distt: Saharanpur, U.P.</p>						
p) Address for correspondence	<p><b>Registrar &amp; Share Transfer Agent</b> (For Dematerialisation and Share Transfer related query) <b>Link Intime India Private Limited</b> Noble Heights, 1<sup>st</sup> floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058. Tel. :- 011-4141 0592-94 Telefax :- 011-4141 0591</p> <p><b>Company</b> (For Annual Report and any other related matters) Company Secretary, Uttam Sugar Mills Ltd. A-2E, III<sup>rd</sup> Floor, C.M.A. Tower, Sector – 24, Noida-201301 (U.P.)</p>						
q) List of Credit Ratings Obtained from Rating Agencies	<p>During the year under review Care Ratings Limited has assigned/revised following Rating:-</p> <table border="1"> <thead> <tr> <th>Type of Credit Rating</th> <th>CARE</th> </tr> </thead> <tbody> <tr> <td>Rating on Long Term Bank Facilities: (Term Loan/Fund based)</td> <td>CARE BBB- Stable</td> </tr> <tr> <td>Rating on Short Term Bank Facilities: (Non Fund Based)</td> <td>CARE A3</td> </tr> </tbody> </table>	Type of Credit Rating	CARE	Rating on Long Term Bank Facilities: (Term Loan/Fund based)	CARE BBB- Stable	Rating on Short Term Bank Facilities: (Non Fund Based)	CARE A3
Type of Credit Rating	CARE						
Rating on Long Term Bank Facilities: (Term Loan/Fund based)	CARE BBB- Stable						
Rating on Short Term Bank Facilities: (Non Fund Based)	CARE A3						

## 12. OTHER DISCLOSURE

- There have been no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the directors or the management or relatives etc. which may have potential conflict with the interests of the Company at large.
- There have been no instances of non-compliance with any of the legal provisions of law made by the Company or any penalty or strictures imposed by the stock exchange or SEBI or any other statutory authority on any matter related to the capital markets during the last 3 years.
- The Company has in place vigil mechanism/whistle blower policy under which employees can report any violations of applicable laws and regulations and the Code of Conduct of the Company. Vigil Mechanism of the Company provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.
- The Company has complied with all the mandatory requirements of Listing Regulations.
- The company does not have any Subsidiary Company. Therefore, policy for determining 'material' subsidiaries is not required to be framed.
- The Company has in place Policy for Related Party Transactions and the same is placed on Company's website i.e. [www.uttamsugar.in](http://uttamsugar.in) and weblink of the same is [http://uttamsugar.in/adminpanel/product\\_image/db061eede812bddd35e81e5a3164cffaPolicy\\_Related%20Party%20Transaction.pdf](http://uttamsugar.in/adminpanel/product_image/db061eede812bddd35e81e5a3164cffaPolicy_Related%20Party%20Transaction.pdf).

- g) Information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.
- h) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- i) A certificate from a Company Secretary in practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board, Ministry of Corporate Affairs or any such statutory authority, forms part of this report.
- j) There were no instances where the Board has not accepted any recommendation of any committee of the board which was mandatorily required during the financial year in concern.
- k) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network of the statutory auditor is Rs.13.85 Lakhs.
- l) There were no complaints filed/pending/disposed of in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year in concern.
- m) A qualified Practicing Company Secretary has carried out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The said Audit Report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### 13. Non-Compliance of Any Requirement of Corporate Governance Report of Sub-Paras (2) To (10) - Nil

### 14. ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II

As specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, following discretionary requirements has been adopted by the Company:

- i) The Internal Auditor may report directly to the Audit Committee.
- ii) Submission of Financial Statements with Unmodified Audit Opinion.

15. The Company has duly complied with all the Corporate Governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 16. DISCLOSURE REGARDING SHARES IN SUSPENSE ACCOUNT

(a)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	No of Shareholder : 08 No of outstanding Shares : 199 Equity Shares
(b)	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Nil
(c)	Number of shareholders to whom shares were transferred from suspense account during the year	Nil
(d)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	No of Shareholder : 08 No of outstanding Shares : 199 Equity Shares
(e)	that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	We confirm that voting rights on these outstanding shares has been frozen.

### 17. INDEPENDENT DIRECTORS

The Board of the Company has been duly constituted with an optimum combination of Executive Directors, Non-Executive and Independent Directors. The Board of the Company comprises of following 3 (Three) Independent Directors:

- i) Mr. N. K. Sawhney
- ii) Mrs. Rutuja Rajendra More
- iii) Mr. Jasbir Singh

#### Meeting of Independent Directors

As required by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a Meeting of the Independent Directors of the Company was convened on 05<sup>th</sup> February, 2022 to oversee and review the performance of Non-Independent Directors and of the Board as a whole. In the meeting members has also done performance evaluation of Managing Director of the Company.

**Declaration by independent directors**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

**18. MANAGEMENT DISCUSSION AND ANALYSIS**

A separate chapter on Management Discussion and Analysis is given in this Annual Report.

**19. CEO/CFO CERTIFICATION**

Mr. Raj Kumar Adlakha, Managing Director, Mr. S.L. Sharma, Executive Director and Mr. Sanjay Bhandari, Chief Financial Officer, have furnished a certificate relating to financial statements and internal control systems as per the format prescribed under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 and the Board took the same on record.

**20. COMPLIANCE CERTIFICATION**

Compliance Certificate for Corporate Governance obtained from a practicing Company Secretary is annexed herewith.

**21. CODE OF CONDUCTS**

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given under the head "Investors' Lounge" on the website of the company i.e. [www.uttamsugar.in](http://www.uttamsugar.in).

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**CERTIFICATE ON CORPORATE GOVERNANCE****To the Members of  
Uttam Sugar Mills Limited**

We have examined the compliance of the conditions of Corporate Governance by Uttam Sugar Mills Ltd. for the financial year ended on 31<sup>st</sup> March, 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C&D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Regulations.

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

**For N.K. RASTOGI & ASSOCIATES  
Company Secretaries**

**Naveen K. Rastogi**  
**Proprietor**  
**Membership No. – FCS-3685**  
**(C. P. No. - 3785)**

**Place : Delhi**

**Date : 10<sup>th</sup> August, 2022**

**UDIN : F003685D000773047**

## **DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT**

The members,

I, Raj Kumar Adlakha, Managing Director, hereby declare that all the Board Members and Senior Management personnel have affirmed compliance with code of conduct of the Company during the financial year 2021-22.

**Place : Noida**

**Date : 10<sup>th</sup> August, 2022**

**(RAJ KUMAR ADLAKHA)**

**MANAGING DIRECTOR**

**(DIN : 00133256)**

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## **CEO/CFO CERTIFICATION – FINANCIAL YEAR ENDED 31.03.2022**

[Pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015]

We, Raj Kumar Adlakha, Managing Director, Shankar Lal Sharma, Executive Director and Sanjay Bhandari, Chief Financial Officer of Uttam Sugar Mills Ltd. hereby certify that :-

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered 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 the 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 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
- i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii) there are no instances 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 system over financial reporting.

### **For UTTAM SUGAR MILLS LIMITED**

**(RAJ KUMAR ADLAKHA)**  
**MANAGING DIRECTOR**  
**(DIN: 00133256)**

**(S. L. SHARMA)**  
**EXECUTIVE DIRECTOR**  
**(DIN: 09018381)**

**(SANJAY BHANDARI)**  
**CHIEF FINANCIAL OFFICER**  
**(PAN: ACTPB6429P)**

**Place : Noida**

**Date : 10<sup>th</sup> August, 2022**

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

(Pursuant to regulation 34(3) and Schedule V para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To the Members of  
Uttam Sugar Mills Limited**

As required by item 10(i) of para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, we certify that none of the directors on the board of **Uttam Sugar Mills Limited** have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

**For N.K. RASTOGI & ASSOCIATES  
Company Secretaries**

**Naveen K. Rastogi  
Proprietor  
Membership No. – FCS-3685  
(C. P. No. - 3785)**

**Place : Delhi  
Date : 10<sup>th</sup> August, 2022  
UDIN : F003685D000776952**



**(Annexure – VII)**  
**MANAGEMENT DISCUSSION AND ANALYSIS**

Your Directors are pleased to present its Management Discussion and Analysis Report as per Regulation 34(2)(e) of SEBI (Listing Obligation of Disclosure Requirements) Regulations, 2015.

**A. GLOBAL ECONOMIC ENVIRONMENT**

Compounding the damage from the COVID-19 pandemic, the Russian invasion of Ukraine has magnified the slowdown in the global economy, which is entering what could become a protracted period of feeble growth and elevated inflation, according to the World Bank's latest **Global Economic Prospects** report. This raises the risk of stagflation, with potentially harmful consequences for middle- and low-income economies alike.

Global growth is expected to slump from 5.7 percent in 2021 to 2.9 percent in 2022— significantly lower than 4.1 percent that was anticipated in January. It is expected to hover around that pace over 2023-24, as the war in Ukraine disrupts activity, investment, and trade in the near term, pent-up demand fades, and fiscal and monetary policy accommodation is withdrawn. As a result of the damage from the pandemic and the war, the level of per capita income in developing economies this year will be nearly 5 percent below its pre-pandemic trend.

**State of the Indian Economy**

The Indian economy is estimated to grow by 9.2% in real terms in 2021-22 (as per first advance estimates) subsequent to a contraction of 7.3% in 2020-21. The Gross Domestic Product (GDP) projected to grow by 8-8.5% in real terms in 2022-23. Projection comparable with World Bank and Asian Development Bank's latest forecasts of real GDP growth of 8.7% and 7.5% respectively for 2022-23. According to the International Monetary Fund's latest World Economic Outlook projections, India's real GDP is projected to grow at 9% in 2021-22 and at 8.5% in 2022-23 and at 7.1% in 2023-24, which would make India the fastest growing major economy in the world for all 3 years.

**Y-o-Y growth of the Indian economy**

	FY19	FY20	FY21	FY 22
Real GDP Growth (%)	6.1	4.2	(7.3)	8.6 (E)

(Source: India Ratings, E: Estimates)

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6% in the last quarter of 2020-21, the Indian

economy grew 20.1% in the first quarter of 2021-22 due to the relatively small economic base during the corresponding period of the previous year.

**SUGAR INDUSTRY STRUCTURE & DEVELOPMENTS**

- Sugar is one of the world's major agro-based industry and is also one of the most actively traded soft commodity on the exchanges.
- More than 80% of sugar produced is from sugarcane while balance is from sugar beet.
- Brazil & India are the largest sugar producers from Sugarcane & EU (European Union) and US are the major sugar producers from beet

**Global Sugar Industry Scenario:**

Global Sugar production in sugar season 2021-22 is estimated at 174.03 million MT with a increase of 3% as compared to sugar production of 168.98 million MT in sugar season 2020-21.

**Country wise Scenario:**

- **Brazil:** Sugar production in Brazil was estimated to reduce by 6.1 million tonnes to 36.0 million tonnes on account of dry weather and frost, which has influenced global sugar supply and realizations. About 46% of the sugarcane crop is expected to be processed to manufacture sugar and 54% utilised for ethanol manufacture. Sugar consumption was expected to report a moderate decline with stocks remaining largely unchanged, exports from Brazil were expected to report a sharp decline due to lower supplies.
- **Thailand:** This country's sugar production was expected to rebound by nearly a third to 10.0 million tonnes on account of increased harvested area, greater sugarcane yields and favorable weather.
- **US:** US sugar production was expected to be at a record 8.4 million tonnes as beet sugar production was estimated to be at a historical high. Sugar consumption was expected to increase slightly towards record levels. Sugar imports reduced 5% on account of projected quota programs and the calculation of US needs as defined in the US-Mexico Suspension Agreements. Closing stock was expected to increase as higher production and opening stocks offset lower imports.
- **China:** China's sugar production was estimated at 9.7 million tonnes, a five-year low, on account lower sugar beet production due to a reduced cultivation area. The China beet crop reduced sizably due to a lower planted area, with grain becoming more profitable for farmers. The harvest in the cane area also lagged year-on-year with a lower extraction rate. Consumption

was estimated to increase 2% as economic development influenced consumption patterns. Imports were lower as stocks were estimated to reduce to address increased consumption.

- **The European Union and the UK:** The European Union and UK reported a decent performance in SS 2021/22 despite a cold summer. Sugar production was expected to reach about 17 million tonnes.
- **Russia:** Sugar production was estimated at 5.6 million tonnes, inadequate to match domestic consumption. Stocks declined after two disappointing crops in a row. Russia set up an import

quota, but the geopolitical situation and sanctions could prevent the full quota from being utilized.

#### Production, Consumptions and End Stocks:-

The Global Sugar industry production in 2021-22 is 174.03 million MT with an increase of 3% as compared to sugar production of 168.98 million MT in sugar season 2020-21. However, in consumption there is an increase by 1.61% to 173.78 Million MT in 2021-22 as compared to 171.03 Millions MT in 2020-21, resulting into inventory levels for the 2021-22 and 2020-21 at 93.40 Million MT and 94.43 Million MT respectively. There is a decrease in the closing stock to consumption ratio in 2021-22 at 53.75% as against 55.21% at the end of 2020-21.

#### World Sugar Balances (October to September)

(In Million MT, Raw Value)

Particulars	2021-22 (Estimates)	2020-21	Change in 2021-22 over 2020-21	
			(Million MT)	(%)
Production	174.03	168.98	5.05	2.99%
Consumption	173.78	171.03	2.75	1.61%
Surplus/(Deficit)	0.25	-2.05	2.3	(112.20%)
Import demand	59.35	62.57	-3.22	(5.15%)
Export availability	60.63	62.75	-2.12	(3.38%)
End Stocks	93.40	94.43	-1.03	(1.09%)
Stock/Consumption Ratio in %	53.75%	55.21%		

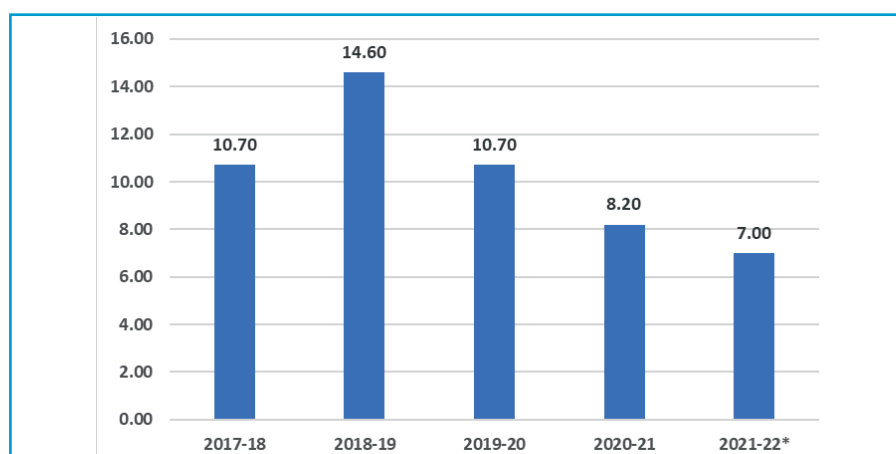
(Source: ISO –Report June 2022)

The global sugar production/ consumption comprised two successive deficit years (relatively small) that moderated stocks at the origin and destination.

#### Trend in India's sugar closing stock (million tonnes)

It is to be noted that this closing stock will be at 5 years low and much less than the level of closing stock seen in the past three sugar seasons 2017-18 to 2019-20 where the closing stock ranged between

10 million tonnes – 15 million tonnes. The closing stock for SS 2020-21 however was lower at 8.2 million tonnes. Thus, if India ends SS 2021-22 with the reduced closing stock of around 7 million tonnes backed by high sugar exports, the domestic sugar prices are likely to get support and remain firm amid expected record-high production of 36 million tonnes of sugar during the year.



Source-ISMA

Note: \*indicates estimates

**Demand-supply indicators for SS 2020-21 and estimates for SS 2021-22**

Particulars	2020-21	2021-22	Y-o-Y (%)
Opening Stock (as on October 1)	10.70	8.10	-24.30%
Production	31.20	36.00*	15.38%
Consumption	26.60	27.50*	3.38%
Exports	7.20	10.00*	38.90%
Closing Stock	8.10	6.60*	-18.52%

Source: Indian Sugar Mills Association (ISMA)

Note: \*indicates estimates

After the expected domestic sugar consumption of 27.50 million tonnes (rise of 3.38%) is met, India is likely to have 16 million tonnes of sugar for international markets and the need of normative requirements of sugar stock for the first 3 months of the next sugar season. While ISMA estimates healthy sugar exports of over 10 million tonnes for the current sugar season on account of robust exports so far and export contracts for total quantity entered into as on 30<sup>th</sup> June, 2022.

An increase in crude oil prices due to the Russia-Ukraine crisis is aiding an uptick in ethanol prices. This may influence the diversion of sugarcane towards ethanol and, in turn, global sugar production.

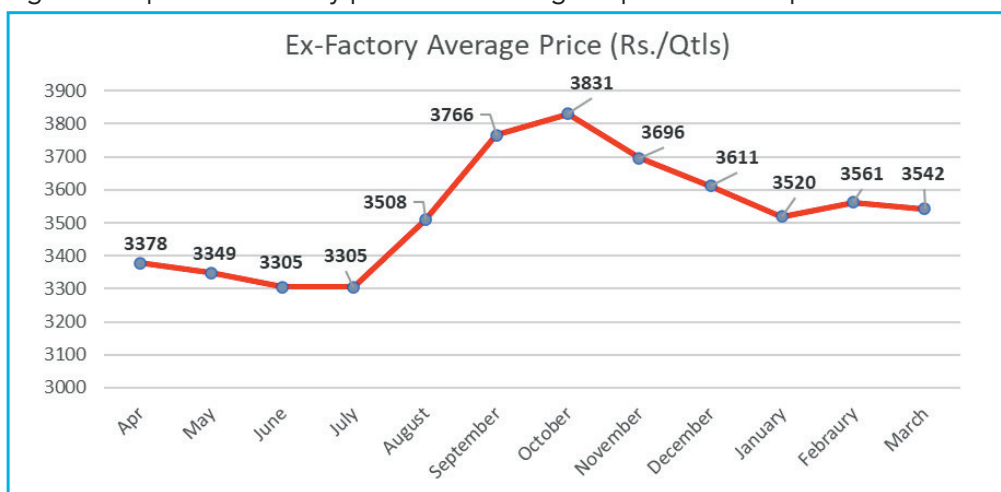
However, if India offloads 10 million tonnes of sugar, the country will be left with around 6.60 million tonnes of closing stock for the current SS 2021-22 which will be sufficient to meet the normative requirements of India for the next sugar season.

In order to find a permanent solution to address the problem of excess sugar, Government is encouraging sugar mills to divert excess sugarcane to ethanol. With the vision to boost agricultural economy, to reduce dependence on imported fossil fuel, to save foreign exchange on account of crude oil import bill & to reduce the air pollution, Government has fixed target of 10% blending of fuel grade ethanol with petrol by 2022 & 20% blending by 2025.

**Average Domestic and International Prices (Oct 2021-March, 2022)**

**Domestic Ex-Factory Price Trend during the Financial Year 2021-22**

The following chart explains ex-factory price trend during the period from April 2021 to March, 2022:-



(Source: Chinimandi.com)

**Average Domestic and International Prices (Oct 2021-March, 2022)**

Sr. No.	Sugar	Rs/Kg
1	Wholesale White Sugar (India)	36.00
2	White Sugar (London)	38.00

Source: CMIE

Note: The International sugar price are converted to Rs/Kg.

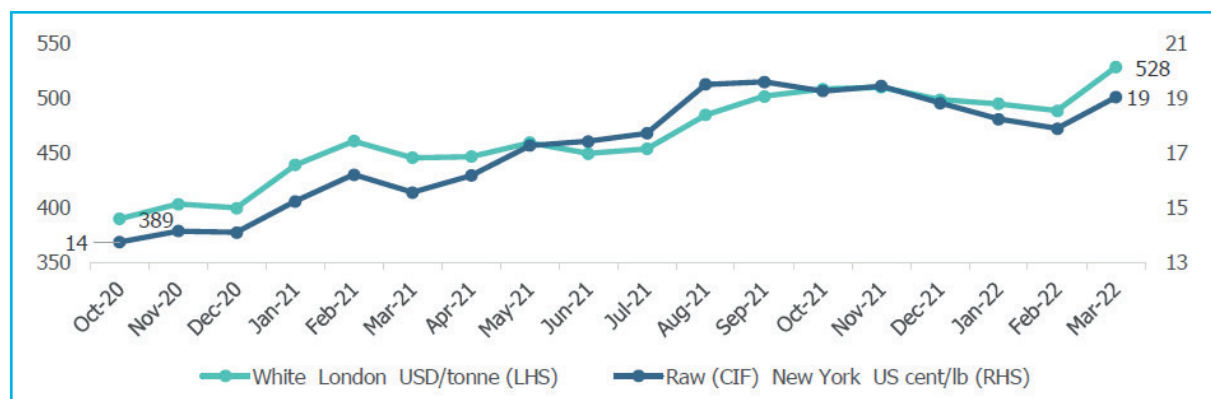
The prices continued the uptrend during 1<sup>st</sup> April 2022 to 13<sup>th</sup> April 2022 as well where the international white sugar prices in London and raw sugar prices in New York averaged USD 547 per tonne and US 20 cents per lb, respectively. The domestic ex-factory sugar prices in India averaged Rs. 35.34 per kg during the period.

### International Prices

The high exports in the current sugar season were led by a 19.3% and 26.7% spike in white sugar prices in London (that averaged USD 504 per tonne) and raw sugar prices in New York (that averaged US 18.8 cents per lb), respectively, during the period October 2021–March 2022. Estimated y-o-y lower output in Brazil by almost 6 million tonnes to around 36 million tonnes (as per the United States Department

of Agriculture November 2021 release) during the SS 2021-22 (Brazil's sugar season is April-March) due to dry conditions and frosts primarily triggered the spurt in prices. Brazil is the largest sugar producer in the world followed by India which is the second-largest producer.

The rise in international sugar prices and growth in exports influenced even the domestic prices to move up. As a result, the wholesale prices in India averaged higher by 7.8% to Rs.36 per kg during the period October 2021 – to March 2022. It was almost over four years back that the wholesale domestic sugar prices had last crossed the level of Rs.36 per kg in November 2017 before the mentioned period October 2021 – March 2022.



Source: CMIE

### INDIAN PERSPECTIVE OF SUGAR & ETHANOL INDUSTRY

- During 2021-22 SS, 522 sugar mills started their crushing operations as against 506 mills which operated last year i.e., 16 more mills operated this year.
- 352.37 lac tons of sugar have been produced till 6<sup>th</sup> June 2022, as against 307.41 lac tons produced last year by 6<sup>th</sup> June 2021.
- As on 6<sup>th</sup> June 2022, 493 mills have stopped crushing and 29 sugar mills in the country were still crushing, most of them in Maharashtra. As compared to that, only 4 mills were operating last year on the same date.
- On the export front, it is reported that around 94-95 lac tons of export contracts have already been entered into so far. Out of that, about 86 lac tons is reported to have been physically exported till end of May, 2022. Recently, Government has capped

sugar exports at 100 lac tons for the current season.

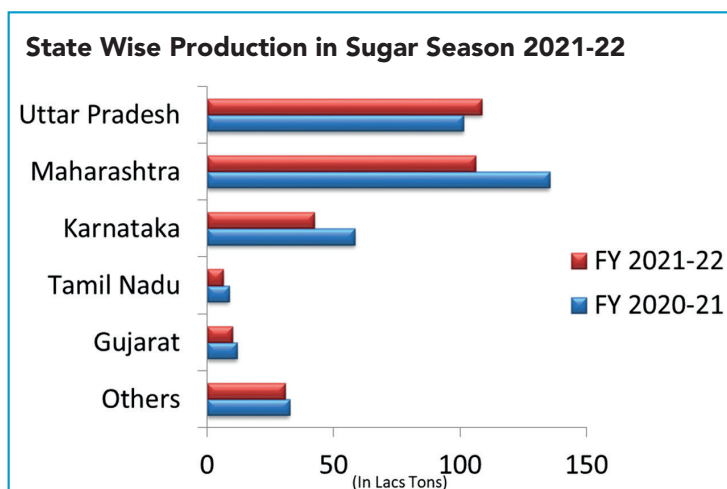
- U.P. sugar mills have produced 101.45 lac tons of sugar as on 15<sup>th</sup> May 2022, which is 7.25 lac tons lower than the production of 108.70 lac tons produced by them last year on the corresponding date.
- In Maharashtra, crushing season has concluded and the mills of the State have produced 135.43 lac tons of sugar, which is about 29.33 lac tons higher as compared to 106.16 lac tons produced in 2020-21 SS.
- In Karnataka, all the operating mills had closed their crushing operations and have produced 58.52 lac tons of sugar as compared to 42.48 lac tons produced last year same period.
- As compared to previous Sugar Season the production was lower in UP by around 6.67%, in Maharashtra & Karnataka the production was higher by 27.63% & 37.76% respectively.

- The Following chart depicts State Wise Sugar Production in Sugar Season 2021-22:

S. No	State	PRODUCTION* (In Lakh Tons) 2021-22 (Up to 15 <sup>th</sup> May)	PRODUCTION* (In Lakh Tons) 2020-21 (Up to 15 <sup>th</sup> May)
1	Uttar Pradesh	101.45	108.70
2	Maharashtra	135.43	106.16
3	Karnataka	58.52	42.48
4	Tamil Nadu	8.80	6.45
5	Gujarat	11.95	10.17
6	Others	32.68	30.81
	<b>All India</b>	<b>348.83</b>	<b>304.77</b>

Source: ISMA

\*After Diversion into Ethanol



- Out of the 4,432 million liters finalized by the OMCs for the Ethanol Supply Year 2021-22 (Dec.-Nov.) against a total requirement of 4586 million liters, contracts for 4410 million liters have been executed till 26<sup>th</sup> June, 2022.
  - Against the above, 2,558 million liters have been lifted by the OMCs till 26<sup>th</sup> June, 2022. The total lifted quantity is 58% of the contracted quantity and 58% of the finalized quantity.
  - The average blending percentage is 10.12% till 26<sup>th</sup> June, 2022.
- Varietal Replacement with proven high recovery varieties.
  - Ratoon management.
  - Development of Agri Research Centres.
  - Integrated Pest Management Programme.
  - Soil testing facilities.
  - Encouraging use of Bio-fertiliser & Bio-pesticides.
  - Training facilities to the Farmers.
  - Introduction of Latest methods of farming and use of various mechanical equipments for cultivation.

The Indian Council of Agricultural Research (ICAR) conducts sugarcane research and development at the national level. State agricultural universities, regional research institutions, and state agricultural extension agencies support these efforts at the regional and state levels. The central and state governments also support sugarcane growers by ensuring finances and input supplies at affordable prices. To increase the area of cultivation and production in India, a centrally sponsored scheme called the Sustainable Development Fund of

**Sugarcane Production and Pricing Policy:**

The Government of India (GOI) supports research, development, training of farmers and transfer of new varieties and improved production technologies to growers in its endeavour to raise cane yields and sugar recovery rates. Following Cane Development activities which improve the productivity, yield & Sugar Recovery Percentage of Sugarcane, are undertaken:

Sugarcane Based Cropping System Area under the Macro Management Mode of Agriculture is being implemented in various sugarcane growing states.

The GOI establishes a Fair and Remunerative Price system (FRP) for sugarcane on the basis of recommendations given by the Commission for Agricultural Costs and Prices (CACP) and after consulting state governments and associations of the sugar industry and cane growers.

Following factors are considered for fixation of FRP:

- Cost of Production of Sugarcane.
- Recovery of Sugar from Sugar cane
- Inter Crop Price parity.
- Price of Sugar Sold.
- Reasonable margins to Farmers.
- Realisation of By Product.
- Return to the growers from alternative crops and the general trend of prices of agricultural commodities.

Citing differences in cost of Production, productivity levels & also as a result of pressure from Farmer's Group, some states declare state specific sugarcane prices called State Advised Prices (SAP), usually higher than FRP.

FRP of sugarcane is fixed to ensure a guaranteed price to sugarcane growers. This would encourage

farmers to cultivate sugarcane and would facilitate continued operation of sugar factories and thus would encourage domestic manufacturing of sugar. The FRP is paid by sugar factories to the sugarcane growers against supply of sugarcane. About 5 crore people, i.e., sugarcane farmers and their families, will be benefited by this proposal. Thousands of farm labours are associated with the cane growers and thus payment of FRP to the growers directly benefits them. Secondly, there are about five lakh workers employed in the sugar factories and ancillary activities and their livelihood depends on regular supply of sugarcane by the growers. Fixation of FRP of sugarcane facilitates adequate production and thus availability and supply of cane to sugar factories.

Sugar Mills are required to pay the "State Advised Price (SAP)" to sugarcane farmers irrespective of the Market Price of Sugar. Softening Sugar Prices, coupled with apprehensions of large cane crop, discouraged the sugar mills to pay higher cane prices.

The Commission for Agricultural Costs and Prices (CACP) has recommended the government to increase the fair and remunerative price for sugarcane at Rs. 290 per quintal for the Sugar season 2021-22.

Given below is a chart depicting the difference in the State Advised Cane Price (SAP) during 2018-19 to 2021-22 in the major sugar producing states:

State	2018-19 (SAP)	2019-20 (SAP)	2020-21 (SAP)	2020-21 FRP	2021-22 (SAP)	2021-22 FRP
Bihar	300	300	315	285	335	290
Uttar Pradesh	315	315	315	285	340	290
Punjab	300	300	310	285	360	290
Haryana	325	340	350	285	362	290
Maharashtra	-	-	-	285	-	290
Karnataka	-	-	-	285	-	290
Andhra Pradesh	-	-	-	285	-	290
Tamil Nadu	-	-	-	285	-	290
Uttarakhand	317	317	317	285	345	290

**Source:** ASTA/ISMA

**Note:-**

1. Fair and Remunerative Price (FRP) for sugar season 2021-22 declared at Rs. 290 per quintal linked to a basic recovery rate of 10%; providing a premium of Rs. 2.90 per quintal for every 0.1% increase in recovery above that level. To reduce the FRP proportionately by Rs.2.90/- qtl for every 0.10% decrease in recovery below 10% but above 9.50%. Minimum FRP Rs.275.50/- qtl for 9.50% Recovery or less.
2. In Maharashtra, Andhra Pradesh, Tamil Nadu & Karnataka the SAP & FRP are same.
3. There is change in SAP for U.P. & Uttarakhand for sugar season 2021-22.

**Ethanol Manufacture:**

The energy demand in our country is rising due to an expanding economy, growing population, increasing urbanization, evolving lifestyles and rising spending power. About 98% of the fuel requirement in the road transportation sector is currently met by fossil fuels and the remaining 2% by biofuels. Today, India imports 85% of its oil requirement. The Indian economy is expected to grow steadily despite temporary setbacks due to the COVID pandemic. This would result in a further increase of vehicular population which in turn will increase the demand for transportation fuels. Domestic biofuels provide a strategic opportunity to the country, as they reduce the nation's dependence on imported fossil fuels. In addition, when utilized with appropriate care, biofuels can be environmentally friendly, sustainable energy sources. They can also help generate employment, promote Make in India, Swachh Bharat, doubling of farmers' incomes and promote Waste to Wealth generation.

Ethanol is one of the principal biofuels, which is naturally produced by the fermentation of sugars by yeasts or via petrochemical processes such as ethylene hydration. It has medical applications as an antiseptic and disinfectant. It is used as a chemical solvent and in the synthesis of organic compounds, apart from being an alternative fuel source.

**Ethanol Blending Programme (EBP):**

Ethanol Blended Petrol Programme was launched by the Government in 2003 on pilot basis which has been subsequently extended to the Notified 21 States and 4 Union-Territories to promote the use of alternative and environment friendly fuels. This intervention also seeks to reduce import dependence for energy requirements and give boost to agriculture sector.

Another important factor for the sugar industry in India is Ethanol Blended Petrol (EBP) program that aims to reduce the sugar glut situation in India. The EBP program supports the diversion of sugarcane and surplus sugar towards the manufacturing of ethanol which has now become the key focus point for the future of the sugar industry. The Government also releases procurement prices for ethanol to divert sugarcane toward production of ethanol. As of 31<sup>st</sup> March, 2022, India on average achieved a blending percentage of 9.6% since December 2021. As of 27<sup>th</sup> March, 2022, 131.7 crore litres of ethanol have been supplied against the total LOI quantity of 416.3 crore litres where the contracted quantity was 402.7 crore litres. In June 2021, the government had advanced the target of achieving 20% ethanol blending in petrol by 2025 from 2030 earlier.

With a view to limit sugar production in the Country, Government has taken multiple steps including, allowing diversion of B heavy molasses / sugarcane juice/Sugar syrup/Sugar for production of ethanol. As the ex-mill price of sugar has increased from the earlier estimated price, there is a need to revise price of B heavy molasses/partial sugarcane juice and 100% sugarcane juice/syrup for production of ethanol.

It is worth noting that as compared to ethanol derived from C heavy molasses route, diversion of B heavy molasses reduces the sugar and increases ethanol availability by about 100%. On the other hand, diversion of sugarcane juice reduces sugar by 100% and increases ethanol availability by about 600%.

India has targeted 20% ethanol blending with petrol by 2025. The country has enough feed stock to produce 10 billion liters of organic chemical compound. By 2025, around 12 billion liters of installed capacity would be required for ethanol production, the country looking at 6- 6.5 billion liters of installed sugarcane capacity, 5-5.5-billion liters capacity of grain or corn side interventions, resulting in a total of 12 billion liters of ethanol.

**B. OPPORTUNITIES & THREATS****Opportunities:**

- Utilization of downstream by-products.
- Huge potential for increasing the High yielding cane crop to increase the cane crushing & sugar recovery rate.
- Potential for new and upgrading Technology for improved utility consumption factors and utilization of by-products.
- Potential for downstream production of Ethanol.
- Utilisation of waste of the distilleries in a productive manner.
- Potential for New Technology for Saving in Energy.
- Introduction of National Bio Fuel Policy.
- Potential for sale of Hand sanitizer.

**Threats:**

- Vulnerability of sugar sector to inflation & unfavourable regulatory policies relating to fixation of higher cane prices.
- Weather conditions affecting yield and recovery.
- Deteriorating quality of soil due to overuse of fertilizer and pesticides.
- Fluctuations in selling price of finished product in domestic and global markets.

- Government policies regarding fixation of price of ethanol and power.

### C. RISKS AND CONCERNS

Sugar industry being agro based is vulnerable to commodity cycles and is hence, fraught with several risks. Given below is a discussion on the risks as perceived by the management. The list is not exhaustive and meant for information purpose only for Investors who are requested to rely on their own judgement while assessing the risks associated with the Sugar Industry and your Company.

**a) Raw material risk** - Sugarcane is the principal raw material used for sugar production. Its availability, quality, growth and cost are affecting factors. These are in turn impacted by uncontrollable factors such as:-

- the area under sugarcane cultivation;
- availability of water;
- Adverse weather conditions and crop disease;
- Availability of better and higher yielding seeds;
- Shifting of farmers' preference to other crops;
- Diversion of sugarcane to other industries like Gur, khandsari etc.;
- Adequacy of harvesting and seasonal unskilled labour;
- Un-remunerative cane procurement price;
- High Local and State level taxes.
- Short crop cycle.
- Fragmented land holding – low yields at farm level.
- Mounting cane arrears.

#### Risk mitigation

This risk can be mitigated by steps taken by the company through its Cane Development Programme which has yielded results in terms of high yields and recoveries. Government programme of Improved Infrastructure for roads and communication; Provision of better quality and higher yielding seeds as well as fertilizers and pesticides; Prompt clearance of the cane dues of farmers and steps to improve their goodwill by adoption of social development measures such as establishing schools and dispensaries in the command areas etc.; Diversifying into multiple locations etc.

### b) Regulatory Risks –

#### i. Environmental Risks

The Industry and Company is subject to environmental regulations and may be exposed to

liability as a result of our handling of hazardous materials and potential costs for environmental compliance.

#### ii. Government policy related Risks

The Industry is regulated and your Company operates in a regulated environment. Central and State Government policies and factors such as:-

- State Advised Price (SAP) and Fair and Remunerative Price (FRP) for sugarcane;
- Control on sale of Molasses; affect the agricultural sector and related industries and in turn our operations and profitability.

#### Risk mitigation

The regulatory risks listed above are Government policy driven and beyond Company's control and cannot be alleviated unless the industry is completely decontrolled. Every effort is made to conform to regulatory requirements while judicial recourse is made when warranted. Various representations through the body of the industry like ISMA, UPSMA, and UPDA submitted to the government to come out with the solutions regarding above risks.

### c) Sugar Price Risk

Sugar prices in the Domestic and International markets depend primarily on the supply and demand situation. Global prices influence and affect the domestic prices directly and sale of Molasses controlled by the respective States. Fluctuations in demand and supply arise on account of the changes in the availability and price of sugarcane, variances in the production capacities of our competitors, availability of substitutes for the sugar products and international demand and supply position.

#### Risk mitigation

Your Company is unable to mitigate this risk since one does not have any control on the market forces and the regulatory prices. The wholesale price of sugar has a significant impact on our profits. Like other agricultural commodities, sugar is subject to price fluctuations resulting from weather, natural disasters, domestic and foreign trade policies, shifts in supply and demand and other factors beyond our control. Additionally, 15% to 30% of the total Global sugar production is traded on commodity exchanges which are speculative in nature and can adversely affect the global sugar prices and in turn the operations of your Company.



However, your Company is trying to reduce the impact of this risk by foraying into newer markets, entering the export market, more value addition by concentrating on downstream projects, increasing the quality and volume etc.

#### **Branded Sugar**

Uttam Sugar Mills Limited produces one of the finest quality sugars in India. The Sugar that we are currently packing is from our sugar plant situated at Libberheri, Roorkee. The quality/purity of sugar is one of the best in the country as we are packing the quality of sugar accepted by European Union Standard. From last three year onwards your company has entered into a very speciality products of Sugar in the aforesaid plant, these speciality product include Bura, Brown Sugar, Table Sugar, Sachets (Both in institutional and retail trade), icing sugar, superfine, pharma sugar, cube sugar, invert syrup etc and sugar in the different packaging i.e. 80 Gm /1Kg /2 Kg/ 5Kg / 10Kg.

We have also started the manufacturing of brown sugar at our Khaikheri Unit.

Our packaged sugar is already selling in J&K, Himachal Pradesh, Punjab, Haryana, Delhi, Uttarakhand, Uttar Pradesh, Gujarat, Chandigarh, Rajasthan, Bihar, Assam and Madhya Pradesh through our distributors in the respective areas. We have already covered Modern Retails like Big Basket, Blinkit (Groffers), Big Bazaar, Kendriya Bhandar, Easy Day, Mother Dairy, Bikanerwala, Britannia, IRCTC, CCD, Rasna, Amazon, Vestiage etc. Uttam Sugar is a very quality centric company and the same will be reflected in our products to come. Our future plans are very ambitious and we want to push Packaged Sugar in Market very aggressively. We would like to inform you that very soon we will be introducing other products along with our existing products.

#### **d) Cyclical Risk**

The industry is dependent on monsoons for both production and price realisation. Moreover, switching to other crops by cane growers on account of better returns affect the industry.

#### **Risk mitigation**

Your Company is unable to mitigate this risk since one does not have any control on the cyclical nature of the industry. However, Governmental initiatives to improve the irrigation by introducing various schemes as well as improvement in the distribution system by augmentation of the Canal Irrigation and tapping of the available surpluses of water are expected to mitigate this risk significantly.

#### **e) Finance Risk**

The Industry is dependent on the availability of timely working capital at competitive interest rates and Long-Term Finance for capacity enhancements / economic size of mills as well as for the manufacture of by-products.

#### **Risk mitigation**

Your Company is facing severe financial constraints. However, it is approaching Banks for funding/finance.

### **D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Broadly, the areas of operation have been classified as Procurement, Manufacture, Marketing and Finance, in the functioning of which, various checks and control systems have been incorporated as Standard Operating Procedures. Even though they are considered adequate to reasonable safeguard its interests, a continuous review is undertaken for further improvement since the management gives lot of emphasis on continuous up gradation of business processes and adherence to the designed system and processes.

Moreover, there is an adequate and effective internal audit system in place in your Company that employs periodic checks on the various systems and on-going process. The Audit Committee of the Board of Directors of your Company comprising of reputed professionals, regularly reviews the effectiveness of internal control system and suggests changes wherever necessary, to ensure due and proper compliance with applicable laws, accounting standards and regulatory guidelines presently in vogue.

## E. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE (OPERATIONS)

The comparative operational figures of the Company are given below:

a) Figures for operational performance other than power export for last three Seasons.

(In Lakh Quintals)

Particulars	SEASON 2021-22					SEASON 2020-21					SEASON 2019-20				
	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL
Capacity (TCD)	6250	7000	4500	6000	<b>23750</b>	6250	7000	4500	6000	<b>23750</b>	6250	7000	4500	6000	<b>23750</b>
Cane Crushing	82.77	144.33	68.17	87.49	<b>382.76</b>	72.86	143.09	64.39	85.76	<b>366.10</b>	83.31	141.36	68.97	89.38	<b>383.02</b>
Recovery (%)	10.66	11.02	10.82	11.29	<b>10.97</b>	11.85	11.24	11.18	11.63	<b>11.44</b>	12.16	11.28	12.18	11.78	<b>11.75</b>
<b>Production</b>															
Sugar	8.82	15.91	7.37	9.88	<b>41.98</b>	8.63	16.08	7.20	9.97	<b>41.88</b>	10.13	15.94	8.40	10.53	<b>45.00</b>
Molasses	4.37	7.69	3.88	3.99	<b>19.93</b>	3.04	7.25	3.53	3.70	<b>17.52</b>	3.33	7.08	2.87	3.66	<b>16.94</b>
Working Days	174	207	183	180	-	162	204	176	178	-	186	209	200	186	-

b) Figures for Power Export for last three Financial Years

(In Lakh Kwh)

	F.Y. 2021-22 (12 Months)					F.Y. 2020-21 (12 Months)					F.Y. 2019-20 (12 Months)				
	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL	Libberheri	Barkatpur	Khaikheri	Shermau	TOTAL
Power Export	320.09	474.78	252.18	405.17	<b>1452.22</b>	356.69	488.78	282.12	318.81	<b>1446.20</b>	324.41	403.97	258.41	412.34	<b>1399.13</b>

## F. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

Industrial relations in your Company have remained cordial throughout the year under review. As a result of huge gap between the cane price and the selling price of sugar, there is a severe financial crisis in the sugar industry on the whole. This has resulted into cost reduction measures but that has not affected harmonious human development relations.

Your Company has overcome all this by upgrading the process and the systems that help harmonize culture of the varied manpower arising out of diverse sources and backgrounds. The organization values and human development as one of the cardinal principle

in the growth of the Company. The organization has steadfastly stuck to its vision to enhance knowledge, skills and competencies of the human resources pool- helping them develop individually and collectively thereby improving productivity. To achieve all this, the Company is providing compensation by way of salary and wages which is at par with the prevailing standards in the industry. The Company is also in the midst of providing regular training to the employees for up-gradation of skills at various levels.

With these progressive steps, your Company has been able to maintain cordial relations with its employees even in this crucial time.

**G. THE KEY FINANCIAL RATIOS ARE GIVEN BELOW WITH COMPARATIVE FIGURES FOR THE PREVIOUS YEAR:**

Sl. No.	Particulars	Method of Calculations	2021-22	2020-21	Explanation for Significant Changes
1	Debtors Turnover ratio (In Times)	Revenue from Operations / (Opening Debtors + Closing Debtors) / 2 = Average Debtors	37.21	36.85	Due to higher sales in FY 2021-22, the ratio has improved.
2	Inventory Turnover ratio (In Times)	Revenue from Operations / (Opening Inventory + Closing Inventory) / 2 = Average Inventory	2.35	1.96	Due to higher sales in FY 2021-22 and lower inventory, the ratio has improved.
3	Interest Coverage ratio (In Times)	EBIDTA / Finance Cost	3.81	2.61	Due to higher earnings before interest and taxes (EBIT), ratio has improved.
4	Current Ratio (In Times)	Current Assets / Current Liabilities	0.99	0.95	Due to reduction in current liabilities, the ratio has improved.
5	Debt Equity Ratio (In Times)	(Long Term Debts + Current Maturity of Term Loans + Cash Credit Limit + Leased Liabilities+ Preference Share Capital) / Shareholder's Equity	1.44	2.56	Due to repayment of Term Loans and lower utilization of the Cash Credit Limit and increase in net profit, the ratio has improved.
6	Operating profit margin (%)	EBIDTA / Revenue	14.02	12.35	Due to higher sales realization of Sugar & by-product ratio has improved.
7	Net Profit margin (%)	Net Profit / Total Income	6.58%	3.27%	Due to increase in Profits, the ratio has improved.
8	Return on Net worth (%)	Net Profit after Taxes / (opening Shareholder's equity + closing Shareholder's equity) / 2 =Average Shareholder's Equity	33.70%	19.18%	Due to increase in Profits, the ratio has improved.

**CAUTIONARY / FUTURISTIC STATEMENTS**

Statements in this report detailing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable laws and regulations and are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate and can be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements in future on the basis of subsequent developments, information or events. Investors, are, therefore, requested to make their own independent judgments before taking any investment decisions.

(Data and figures relating to industry and future expected developments in the industry have been taken from industry and industry-related publications and web-sites)

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UTTAM SUGAR MILLS LIMITED

### Report on the Audit of the Ind AS Financial Statements

#### Opinion

We have audited the accompanying financial statements of **UTTAM SUGAR MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to financial statement including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, thereof ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report: -

S.NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
1.	<p><b>Revenue recognition</b> <b>Refer to note no 2.5 to the financial statements.</b></p> <p>The Company principally generates revenue from sale of Sugar (domestic and Export) and sale of its By-products, sale of distillery products, sale of Hand sanitizer, sale of jaggery and sale of Power in domestic market.</p> <p>We identified revenue recognition as a key audit matter because it is one of the key performance indicator of the Company and gives rise to an inherent risk of misstatement to meet expectations or targets.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the process relating to recording of sales and testing the design, implementation and operating effectiveness of relevant key internal controls over recording of sales;</li> <li>• Assessing the appropriateness of the Company's accounting policy for recording of sales and compliance of the policy with applicable accounting standards;</li> <li>• Comparing a sample of sale transactions recorded during the year with sales orders, sales invoices, delivery challans and other relevant underlying documents;</li> <li>• Comparing a sample of sale transactions recorded near the year end with the sales orders, sales invoices, delivery challans and other relevant underlying documentation to assess if the sale was recorded in the appropriate accounting period;</li> </ul>

		<ul style="list-style-type: none"> <li>• Comparing a sample of electricity sales transactions with energy invoices duly verified by Central Power Purchasing Agency (Guarantee) Limited ("CPPA-G") and assessed whether the sale was recorded in the appropriate accounting period;</li> <li>• Inspecting on a sample basis, credit notes issued near to and subsequent to year end to evaluate whether the adjustments to sales had been accurately recorded in the appropriate accounting period; and</li> <li>• Scanning for any manual journal entries relating to sales recorded during and near the year end which were considered to be material or other specific risk based criteria for inspecting underlying documentation.</li> </ul>
2.	<p><b>Capitalization of property, plant and equipment</b>  <b>Refer note no. 3 to the financial statements.</b> The Company has made significant capital expenditure on New Plant, modernization and replacement of plant and equipment.</p> <p>We identified capitalization of property, plant and equipment as a key audit matter because there is a risk that amounts being capitalized may not meet the capitalization criteria with related implications on depreciation charge for the year.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and testing the design, implementation and operating effectiveness of management's key internal control over capital expenditure;</li> <li>• Comparing, on sample basis, the costs incurred on projects with supporting documentation and contracts;</li> <li>• Assessing the nature of costs incurred for the capital projects for appropriateness by comparing, on sample basis, amounts recorded with underlying documentation and considering that the expenditure meets the criteria for capitalization as per the applicable accounting standards;</li> <li>• Inspecting supporting documents for the date of capitalization when project assets were ready for its intended use to assess that depreciation commenced and further capitalization of costs ceased from that date and to assess the useful life assigned by management including testing the calculation of related depreciation</li> </ul>
3.	<p><b>Valuation of Inventories</b>  <b>Refer note no. 7 to the financial statements.</b></p> <p>We identified valuation of inventories as a key audit matter as it involves significant management judgments in determining the carrying value of stock.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of Company's accounting policy for valuation of stock and compliance of the policy with the requirements of the prevailing accounting standards;</li> <li>• Obtaining an understanding of internal controls over valuation of stock and testing, on a sample basis, their design, implementation and operating effectiveness;</li> <li>• Obtaining an understanding and assessing reasonableness of the management's determination of net realizable value (NRV) and the key estimates adopted, including future selling prices and costs necessary to make the sales and their basis; and</li> <li>• Comparing the NRV, on a sample basis, to the cost of stock-in-trade to assess whether any adjustments are required to the value of stock in trade in accordance with the accounting policy.</li> </ul>

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

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

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

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

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian accounting standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended thereof.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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.

## AUDITOR'S REPORT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 aforesaid financial statement.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) relevant Rules, 2015, as amended, thereof.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report express an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note no 23 and 24 to the financial statement).
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The company was not required to transfer, any amount to the Investor Education and Protection Fund.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (2)(h)(iv) (a) and (b) above, contain any material misstatement.
  - v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

**For SSVS & Co.,  
Chartered Accountants,  
Firm Registration No. 021648C**

**(Vipul Sharma) F.C.A.  
Partner  
Membership No. 74437**

**Place : Noida  
Dated : 16<sup>th</sup> May, 2022  
UDIN : 22074437AJHNFD6278**



**ANNEXURE TO THE AUDITORS' REPORT****Annexure A to the Independent Auditors' Report to the members of Uttam Sugar Mills Limited on its financial statements dated 16<sup>th</sup> May, 2022.**

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that

1. a) (A) The Company has maintained records showing particulars including quantitative details and situation of its principal Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particular Intangible Assets.
- b) The company has physically verified the Property, Plant and Equipment. In accordance with a phased programme designed by the management to cover all the items over a period of three years which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- c) The title deeds of the immovable property as disclosed in the Property, Plant and Equipment (note No.3 to the Ind AS financial statements) are held in the name of the Company, except for the following freehold land:

Description of Property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative or employee of the promoter, director	Property held since which date	Reason for not being held in the name of company
Khasra No-122 At Village –Barkatpur, Pudrikhurd. Pargana- Kiratpur, Tehsil-Najibabad, Distt- Bijnor (U.P)	0.11 Lakhs	Babu Das S/O Shri Banwari Village, Motipur- Tehsil Nigasan District Lakhimpur Khiri (UP)	No	12 <sup>th</sup> August 2004	Statutory procedures are pending

- d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. (a) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records in each class of inventory is less than 10% and have been properly dealt with in the books of accounts.
  - (b) The Company has during the year sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks on the basis of security of current assets and based on our examination and verification the quarterly returns or statement filed by the company they are in agreement to books of account except value of inventory

of pledged sugar provided to bank which is valued in accordance with terms and condition of sanction letter and RBI Guidelines at average Net realizable value whereas in the books of account same has been in considered at lower of Cost or Net realizable value in accordance with the Indian Accounting Standard.

The detail of difference in value is here under: -

(₹ in Lakhs)

Quarter	Value of sugar stock as per Books at lower of cost or Net realizable value	Value of sugar stock as per Stock Statement at Realizable value	Difference
1 <sup>st</sup> Quarter ended 30.06.2021	75398	83762	8364
2 <sup>nd</sup> Quarter ended 30.09.2021	41942	47217	5275
3 <sup>rd</sup> Quarter ended 31.12.2021	38524	42303	3779
4 <sup>th</sup> Quarter ended 31.03.2022	69548	76867	7319

3. According to information made available to us, the Company has during the year not made any investment and not provided security or guarantee and also has not granted any loan or advance in the nature of Loan, secured or unsecured during the year to Companies, firm, Limited Liability partnerships or other entities accordingly para 3(iii)(a) to (f) of the Order are not applicable to the Company.
4. According to the information and explanations given to us, no loan, investment, guarantees and security stated under section 185 and 186 of the Companies Act, 2013 have been given/made by the Company therefore, para 3(iv) of the order is not applicable.
5. On the basis of information and explanations given to us and our scrutiny of Company's records, in our opinion, the Company has not accepted any public deposits within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules frames there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the Company in respect of products pursuant to the order made by the Central Government for the maintenance of the cost records under section 148 of the Act and are of the opinion that, prima-facie, the prescribed account and records have been maintained and are being made up. We however as not required have not made a detailed examination of such records with a view to determine whether these are accurate or complete.
7. (a) According to the information and explanations given to us the Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Goods and service tax, Provident Fund, Income Tax, Customs Duty, Excise Duty, Value added Tax, Cess, Regulatory fees/administrative charges and other statutory dues applicable to it with appropriate authorities. As explained to us, the provisions of Employees State Insurance are not applicable to the Company. Further, there were no arrears of undisputed statutory dues outstanding as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the disputed statutory dues of Sales tax, Excise duty and Income Tax aggregating to ₹ 58.43 Lakhs that have not been deposited are given below: -

Name of Statute	Nature of Dues	Amount (₹ In Lakhs)	Forum where dispute is pending
Sales Tax Laws	Sales Tax/ Entry Tax	7.45	High Court
Central Excise Act, 1944	Excise Duty/Service tax	9.11	Commissioner (Appeal)
Goods and Service Tax	GST	4.03	High Court
		0.85	Addl. Commissioner (Appeal)
Income Tax Act, 1961	Income Tax	28.87	Commissioner (Appeal)
Molasses Control Act	Administrative charges	8.12	High Court
<b>Total</b>		<b>58.43</b>	

Further, in respect of Custom Duty, Value added Tax and Cess, Regulatory fees, it has been informed that there are no dues, which have not been deposited on account of any dispute.

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. (a) In our opinion and according to the information and explanations company has not defaulted in repayment of Loans or other borrowings or in the payment of interest thereon to any lender *except in the following case:* -

Nature of Borrowings, including debt securities	Name of Lenders	Amount not paid on due date (₹ In Lakhs)	Whether Principal or Interest	No. of days delay or unpaid	Remarks, if any
Term Loan (Unsecured)	Uttarakhand State Government	656.68	Principal	Continuously unpaid since January 2011	
		451.10 (Interest from 28.01.2005 to 31.03.2022)	Interest	Continuously unpaid since 31.03.2005	

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or by any other lender.
- (c) Based upon the audit procedures performed and the information and explanations given by the management, on overall basis the term loans were applied for the purpose for which they were taken.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has does not have any subsidiary, hence clause no 3(ix)(e) is not applicable to the company.
- (f) On an overall examination of the financial statements of the Company, the Company has does not have any subsidiary, joint venture or Associate company hence clause no 3(ix)(f) is not applicable to the company.
10. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by applicable Indian Accounting Standard.
14. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.
15. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

- (b) In our opinion, 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 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause 3(xviii) of the Order is not applicable.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) On the basis of examination and explanations given by the management of the company there is no ongoing project in respect of CSR hence clause xx(b) is not applicable.

**For SSVS & Co.,  
Chartered Accountants,  
Firm Registration No. 021648C**

**Place :** Noida  
**Dated :** 16<sup>th</sup> May, 2022  
**UDIN :** 22074437AJHNFD6278

**(Vipul Sharma) F.C.A.  
Partner  
Membership No. 74437**

## **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **Uttam Sugar Mills Limited** ("the Company") as at 31<sup>st</sup> March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;-
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For SSVS & Co.,  
Chartered Accountants,  
Firm Registration No. 021648C**

**Place :** Noida  
**Dated :** 16<sup>th</sup> May, 2022  
**UDIN :** 22074437AJHNFD6278

**(Vipul Sharma) F.C.A.  
Partner  
Membership No. 74437**

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, plant and equipment		67,264.50	55,242.65
(b) Capital work in progress		448.49	12,674.78
(c) Right-of-use assets	3	31.10	65.18
(d) Other intangible assets		5.56	6.79
(e) Biological assets		4.35	4.35
<b>(f) Financial assets</b>			
(i) Investments	4	-	251.21
(ii) Other financial assets	5	42.72	40.46
(g) Non-current tax assets		59.00	50.98
(h) Other Non-current assets	6	401.04	623.79
<b>Total (1)</b>		<b>68,256.76</b>	<b>68,960.19</b>
<b>(2) Current assets</b>			
(a) Inventories	7	79,959.97	92,813.69
<b>(b) Financial assets</b>			
(i) Trade and other receivables	8	6,106.26	4,829.34
(ii) Cash and cash equivalents	9	850.01	501.10
(iii) Bank balance other than cash and cash equivalents	10	308.01	393.17
(iv) Other financial assets	5	714.76	9,248.45
(c) Current tax assets	11	137.33	8.70
(d) Other current assets	12	637.92	585.89
<b>Total (2)</b>		<b>88,714.26</b>	<b>1,08,380.34</b>
<b>(3) Non current assets classified as held for sale</b>	13	22.47	678.76
<b>Total Assets (1+2+3)</b>		<b>1,56,993.49</b>	<b>1,78,019.29</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	14	3,813.81	3,813.81
(b) Other Equity	15	42,463.42	29,981.32
<b>Total (1)</b>		<b>46,277.23</b>	<b>33,795.13</b>
<b>(2) Liabilities</b>			
<b>(A) Non-Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	8,688.92	17,716.98
(ia) Lease liabilities		13.35	39.78
(ii) Other financial liabilities	17	2,397.21	4,609.27
(b) Deferred revenue (including Government grant)	18	896.88	1,538.78
(c) Provisions	19	1,581.58	1,451.74
(d) Deferred tax liabilities	20	7,818.98	3,578.29
<b>Total (2)</b>		<b>21,396.92</b>	<b>28,934.84</b>
<b>(B) Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	55,289.09	64,258.15
(ia) Lease liabilities		24.51	20.55
(ii) Trade and others payable	21	402.29	706.00
Total Outstanding dues of Micro and Small Enterprises		29,169.03	44,688.46
Total Outstanding dues Other than Micro and Small Enterprises		1,369.42	2,134.66
(iii) Other financial liabilities	17	662.30	748.23
(b) Deferred revenue (including Government grant)	18	2,168.81	1,820.69
(c) Other current liabilities	22	233.89	219.89
(d) Provisions	19		
<b>Total (3)</b>		<b>89,319.34</b>	<b>1,14,596.63</b>
<b>(3) Liabilities for non current assets classified held for sale</b>		-	692.69
<b>Total Equity &amp; Liabilities (1+2+3)</b>		<b>1,56,993.49</b>	<b>1,78,019.29</b>
Corporate information	1		
Significant accounting policies and estimates	2-2 A		
Contingent Liabilities	23		
Capital Commitments	24		
The accompanying notes are an integral part of the financial statements.			

AS PER OUR REPORT OF EVEN DATE

Firm Registration No.021648C

For SSVS &amp; Co.

Chartered Accountants

(FCA VIPUL SHARMA)

Partner

Membership No.074437

Place : Noida

Date : 16<sup>th</sup> May, 2022

for and on behalf of Board of Directors

(RAJ KUMAR ADLAKHA)  
Managing Director(S. L. SHARMA)  
Executive Director(SANJAY BHANDARI)  
Chief Financial Officer(G.RAMARATHNAM)  
Chief-Legal and Corporate  
Affairs & Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

(₹ in Lakhs)

Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
<b>Income</b>			
I. Revenue from operations	25	2,03,434.59	1,81,859.03
II. Other income	26	1,566.86	860.67
<b>III. Total Income (I+II)</b>		<b>2,05,001.45</b>	<b>1,82,719.70</b>
<b>IV. Expenses</b>			
Cost of material consumed	27	1,35,427.05	1,34,297.11
Purchases of stock-in-trade		40.02	24.81
Change in inventories of finished goods, by-products, work in progress & Stock in Trade	28	13,553.37	143.35
Employees benefits expenses	29	8,640.23	8,080.45
Finance costs	30	7,492.45	8,611.41
Depreciation and amortisation expenses	3	3,320.99	2,852.12
Other expenses	31	18,813.23	17,711.52
<b>Total Expenses</b>		<b>1,87,287.34</b>	<b>1,71,720.77</b>
<b>V. Profit Before Tax (III-IV)</b>		<b>17,714.11</b>	<b>10,998.93</b>
<b>VI. Tax expense</b>	32		
Current tax		-	-
Deferred tax	20	4,222.09	3,606.55
Tax Impact on account of New Tax Regime		-	2,914.11
Income Tax reversed/paid for earlier year		-	(1,497.50)
<b>VII. Profit for the year (V-VI)</b>		<b>13,492.02</b>	<b>5,975.77</b>
<b>VIII. Other Comprehensive income/(loss)</b>	33		
(i) Items that will not be reclassified to profit or loss		73.85	(6.50)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(18.60)	1.64
<b>Total Other Comprehensive income/(loss)</b>		<b>55.25</b>	<b>(4.86)</b>
<b>IX. Total Profit after comprehensive income for the year (VII+VIII)</b>		<b>13,547.27</b>	<b>5,970.91</b>
(Comprising of profit and loss comprehensive income for the year)			
<b>X. Earnings per equity share</b>	34r		
(Nominal value per share ₹10/-)			
- Basic (₹)		35.38	15.67
- Diluted (₹)		35.38	15.67
<b>Number of shares used in computing earning per share</b>			
- Basic (Nos.)		38138120	38138120
- Diluted (Nos.)		38138120	38138120
Corporate information	1		
Significant accounting policies and estimates	2-2 A		
Contingent Liabilities	23		
Capital Commitment	24		
The accompanying notes are an integral part of the financial statements			

AS PER OUR REPORT OF EVEN DATE

Firm Registration No.021648C

For SSVS &amp; Co.

Chartered Accountants

(FCA VIPUL SHARMA)

Partner

Membership No.074437

for and on behalf of Board of Directors

(RAJ KUMAR ADLAKHA)

Managing Director

(S. L. SHARMA)

Executive Director

(SANJAY BHANDARI)

Chief Financial Officer

(G.RAMARATHNAM)

Chief-Legal and Corporate  
Affairs & Company Secretary

Place : Noida

Date : 16<sup>th</sup> May, 2022



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022 (₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax</b>	17,714.11	10,998.93
Adjustments for:		
Other comprehensive income	73.85	(6.50)
Depreciation and amortisation expenses	3,320.99	2,852.12
Finance cost	6,069.57	7,370.96
Interest expense based on effective interest rate	1,422.88	1,191.66
Income/loss on fair value of Investment adjustment	(48.79)	48.79
Loss on sale/discard of assets	121.98	162.36
Profit on sale of assets	(457.30)	(71.67)
Interest income based on effective interest rate	(755.71)	(572.50)
Interest Income	(24.92)	(46.21)
<b>Operating profit before working capital changes</b>	<b>27,436.67</b>	<b>21,927.94</b>
<b>Working Capital Adjustment</b>		
Decrease/(Increase) in inventories	12,853.72	211.57
Decrease/(Increase) in trade receivables	(1,276.92)	212.80
Decrease/(Increase) in other financial assets	8,458.00	1,236.50
Decrease/(Increase) in other assets	(52.04)	29.81
Decrease/(Increase) in other bank balances	82.90	8.82
(Decrease)/Increase in other financial liabilities	(537.66)	(534.25)
(Decrease)/Increase in trade payable	(15,175.04)	(6,045.73)
(Decrease)/Increase in provisions	143.83	224.73
(Decrease)/Increase in other liabilities	221.90	493.65
<b>Cash generated from operations</b>	<b>4,718.69</b>	<b>(4,162.10)</b>
Direct taxes refund received / (Paid) (net)	32,155.37	17,765.84
	(136.65)	132.75
<b>Net Cash flow from operating activities</b>	<b>32,018.72</b>	<b>17,898.59</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property plant and equipment	(3,535.78)	(9,178.89)
Sale Proceeds/Addition of assets held for sale (net)	311.03	(85.30)
Sale Proceeds of Fixed Assets	92.77	757.85
Redemption/(Purchase) of investments	300.00	(300.00)
Interest received	24.92	46.21
<b>Net Cash used in investing activities</b>	<b>(2,807.06)</b>	<b>(8,760.13)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance cost paid	(6,045.15)	(7,351.44)
Redemption of Preference Shares	(3,807.30)	(1,901.55)
Proceeds from borrowings (Term loans)	3,370.97	8,241.71
Repayments of borrowings (Term loans)	(18,636.35)	(11,829.50)
Proceeds from borrowings (Working capital)	(3,466.54)	4,556.35
Repayments of lease liabilities	(22.47)	(31.83)
<b>Net Cash used in financing activities</b>	<b>(28,606.84)</b>	<b>(8,316.26)</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>604.82</b>	<b>822.21</b>
<b>Cash and cash equivalents as at beginning of the year</b>	<b>245.19</b>	<b>(577.01)</b>
<b>Cash and cash equivalents as at closing of the year</b>	<b>850.01</b>	<b>245.19</b>
<b>Reconciliation of Cash and cash equivalents as per the cash flow statements</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2022</b>	<b>As at 31<sup>st</sup> March, 2021</b>
a) Balance with banks on current accounts	808.96	481.99
b) Cash on hand	41.05	19.11
<b>Closing cash and cash equivalents (Refer Note no.9)</b>	<b>850.01</b>	<b>501.10</b>
c) Less: Book overdraft balance (refer note no.17)	-	255.91
<b>Closing Cash and cash equivalents for the purpose of cash flow statement</b>	<b>850.01</b>	<b>245.19</b>

The accompanying notes are an integral part of the financial statements

**AS PER OUR REPORT OF EVEN DATE**

**Firm Registration No.021648C**

**For SSVS & Co.**

Chartered Accountants

**(FCA VIPUL SHARMA)**

Partner

Membership No.074437

**(RAJ KUMAR ADLAKHA)**

Managing Director

**(SANJAY BHANDARI)**

Chief Financial Officer

**for and on behalf of Board of Directors**

**(S. L. SHARMA)**

Executive Director

**(G.RAMARATHNAM)**

Chief-Legal and Corporate  
Affairs & Company Secretary

Place : Noida

Date : 16<sup>th</sup> May, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

## (a) Equity Share Capital:

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2022			For the year ended 31 <sup>st</sup> March, 2021		
	Balance as at 01.04.2021	Changes in equity share capital during the year	Balance as at 31.03.2022	Balance as at 01.04.2020	Changes in equity share capital during the year	Balance as at 31.03.2021
38138120 Equity Shares of ₹10/- each fully paid up	3,813.81	-	3,813.81	3,813.31	-	3,813.31

## (b) Other Equity

Balance as at 31<sup>st</sup> March, 2022

Particulars	Reserve & Surplus					
	Equity component of compound financial instruments	Securities premium	Capital Redemption Reserve	Retained earnings	Other comprehensive income	Total other equity
<b>Balance as at 01.04.2021</b>	<b>2,819.18</b>	<b>15,252.82</b>	<b>1,676.55</b>	<b>10,232.77</b>	-	<b>29,981.32</b>
Add/Less :- Transfer from retained earnings/ to Capital Redemption Reserve on redemption during the year of						
a. 2973300 6.50% Non-Cumulative Redemable Preference Shares			2,973.30	(2,973.30)	-	-
b. 417000 10% Non-Cumulative Redemable Preference Shares			417.00	(417.00)	-	-
Less : Annual Impact of Ind AS amortization of Preference shares (refer note no.30)	(530.07)	-	-	530.07		-
Less:- Impact of redemption of Preference Shares out of opening balance	(1,065.17)	-	-	-	-	(1,065.17)
Profit for the year				13,492.02	55.25	13,547.27
Transfer from/to other comprehensive income/ retained earnings				55.25	(55.25)	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>1,223.94</b>	<b>15,252.82</b>	<b>5,066.85</b>	<b>20,919.81</b>	-	<b>42,463.42</b>

Balance as at 31<sup>st</sup> March, 2021

Particulars	Reserve & Surplus					
	Equity component of compound financial instruments	Securities premium	Capital Redemption Reserve	Retained earnings	Other comprehensive income	Total other equity
<b>Balance as at 01.04.2020</b>	<b>4,111.42</b>	<b>15,252.82</b>	-	<b>5,338.27</b>	-	<b>24,702.51</b>
Add/Less :- Transfer from retained earnings/ to Capital Redemption Reserve on redemption during the year of						
a. 1451550 6.50% Non-Cumulative Redemable Preference Shares	-	-	1,451.55	(1,451.55)	-	-
b. 225000 10% Non-Cumulative Redemable Preference Shares	-	-	225.00	(225.00)	-	-
Less : Annual Impact of Ind AS amortization of Preference shares (refer note no.30)	(600.14)	-	-	600.14	-	-
Less :- Impact of redemption of Preference Shares out of opening balance	(692.10)	-	-	-	-	(692.10)
Profit for the year	-	-	-	5,975.77	(4.86)	5,970.91
Transfer from/to other comprehensive income/ retained earnings	-	-	-	(4.86)	4.86	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>2,819.18</b>	<b>15,252.82</b>	<b>1,676.55</b>	<b>10,232.77</b>	-	<b>29,981.32</b>

The accompanying notes are an integral part of the financial statements

AS PER OUR REPORT OF EVEN DATE

Firm Registration No.021648C

For SSVS &amp; Co.

Chartered Accountants

(FCA VIPUL SHARMA)

Partner

Membership No.074437

Place : Noida

Date : 16<sup>th</sup> May, 2022

for and on behalf of Board of Directors

(RAJ KUMAR ADLAKHA)  
Managing Director(S. L. SHARMA)  
Executive Director(SANJAY BHANDARI)  
Chief Financial Officer(G.RAMARATHNAM)  
Chief-Legal and Corporate  
Affairs & Company Secretary

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### Note No. 1 : Corporate Information

Uttam Sugar Mills Ltd. ("USML" or the Company) is a public limited Company incorporated and domiciled in India. The registered office of the Company is situated at Village Libberheri, Tehsil Roorkee, Distt. Haridwar (Uttarakhand).

The Company's shares are listed on the BSE Limited and National Stock Exchange of India Ltd.

The Company is engaged in the manufacture of Sugar, Industrial Alcohol and Generation of Power. The financial statements of the Company are for the year ended 31<sup>st</sup> March, 2022 and are prepared in Indian Rupees being the functional currency. The values in Indian Rupees are rounded off to Lakhs, except otherwise indicated.

The financial statements for the year ended 31<sup>st</sup> March, 2022 was approved for issue by the Board of Directors of the Company on 16<sup>th</sup> May 2022 and is subject to the adoption by the shareholders in the Annual General Meeting.

### Note No. 2 : Significant Accounting Policies

#### 2.1 Statement of compliance with Ind AS

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended with effect from 1<sup>st</sup> April, 2016) read with Section 133 of the Companies Act, 2013.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (India Accounting Standards) Rules 2015 (As amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

#### 2.2 Basis of preparation

These financial statements have been prepared in accordance with Ind AS under the historical cost basis except for the following.

- i) Certain financial assets and financial liabilities – measured at fair value and
- ii) Defined benefits plan- plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration is exchange for goods and service.

#### 2.3 The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

##### An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii) Held primarily for the purpose of trading,
- iii) Expected to be realized within twelve months after the reporting period,
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- v) Carrying current portion of non-current financial assets.

All other assets are classified as non-current.

##### A liability is current when:

- i) It is expected to be settled in normal operating cycle,
- ii) It is held primarily for the purpose of trading,
- iii) It is due to be settled within twelve months after the reporting period,
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- v) It includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### 2.4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16- Property Plant and equipment- The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the "cost of fulfilling 'a contract comprises the 'cost that relate directly to the contract'. Cost that relate directly to a contract can either be incremental costs of fulfilling that contract (example would be direct labor, 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). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022 although early adoption is permitted. The company has evaluated the amendment and the impact is not expected to be material.

### 2.5 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and revenue can be reliably measured. The Company recognizes sale of goods when the significant risks and rewards of ownership are transferred to the Buyer, usually on delivery of goods.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment net of discounts, volume rebates and excluding taxes or duties collected on behalf of the Government.

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

Income from sale of REC is recognized on delivery of REC to the customers 'account.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the "effective interest rate" that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount.

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

All other incomes are accounted for on accrual basis.

### 2.6 Expenses

All expenses are accounted for on accrual basis.

### 2.7 Property, plant and equipment and Capital work in progress (CWIP)

All property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Free hold land is not depreciated. The cost of an asset includes the purchase cost of materials, including import duties and non-refundable/ creditable taxes and any directly attributable cost of bringing an asset to the location and condition of its intended use interest on borrowing used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major refurbishment is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognized in statement of profit and loss as incurred.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

Directly attributable expenditure (including finance cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as pre-operative expenses pending allocation to the assets and are shown under CWIP, CWIP is stated at the amount expended up to balance sheet date on assets or property, plant and equipment that are not yet ready for their intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost and related accumulated depreciation are eliminated from the financial statements upon disposal/sale or retirement of the asset and the resultant gains or losses (difference between the sale proceeds and the carrying amount of the assets) are recognized in the Statement of profit and Loss.

### 2.8 Depreciation methods, estimated useful lives and residual value

- a) Depreciation on tangible fixed assets is provided on Straight Line basis so as to charge the cost of the assets or the amount substituted for costs in case of revalued assets less its residual value over the useful life of the respective asset as prescribed under part C of Schedule II to the Companies Act, 2013. Residual value has been considered as 5% of the cost of the respective assets.
- b) Leasehold Building Developments are amortized at lower of period of lease or ten years.
- c) Intangible Assets are amortized over a period of economic benefits not exceeding ten years.
- d) Depreciation/amortization on assets added, sold or discarded during the year is provided on pro – rata basis.

### 2.9 Intangible assets (Computer software)

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized. Computer software is amortized over a period of three years.

### 2.10 Inventories

Inventories (other than By-products) are valued at lower of cost or net realizable value.

Inventories of Renewal Energy Certificates (REC) are valued at lower of cost or net realizable value.

Inventories on stock in trade are valued at lower of cost or net realizable value.

Cost of inventories has been determined on current cost.

Cost of finished goods and Work in Progress has been worked out on absorption cost basis.

By- products and residuals are valued at net realizable value.

### 2.11 Government Grants

Government grants are recognized at fair value when there is reasonable assurance that the grant would be received and the Company would comply with all the conditions attached with them.

Government grants related to PPE are treated as deferred revenue (included under non-current liabilities with current portion considered under current liabilities) and are recognized and credited in the statement of profit and loss on systematic and rational basis and included under other income.

Government grants related to revenue nature are recognized on a systematic basis in the Statement of profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate and are adjusted with the related expenditure.

(If not related to a specific expenditure, it is taken as income and presented under: other Income)

### 2.12 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to the profit and loss statement in the period in which they are incurred.

Preference Shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognized as finance cost in the Statement of Profit and Loss.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### 2.13 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non –cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option, and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The company revises the lease term if there is a change in the non-cancellable period of a lease.

### 2.14 Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability when discounting is used, the increase in the passage of time is recognized as finance costs.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an out flow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that can't be recognized because it can't be measured reliably.

A contingent liability is not recognized in the financial statements, but discloses its existence in the Financial Statement.

When the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### 2.15 Dividend payable

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognized directly in equity.

### 2.16 Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies at the year ended translated at the year ended rates which is likely to be realized from, or required to disburse at the balance sheet date. Exchange differences arising on settlement of monetary items at rates different from those at which they were initially recorded / reported in financial statements are recognized as income or expense in the year in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

### 2.17 Employee benefits

- a) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement Profit & Loss Account of the period in which the related service is rendered.
- b) Long-term employee benefits are recognized as an expense in the Statement Profit & Loss Account for the year in which the employee has rendered services.

#### i) Compensated absences

Accumulated leave, which is expected to be utilized within next 12 months, is treated as short term employee benefit and this is shown under current provisions in the Balance Sheet. The Company treats

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

accumulated leave expected to be carried forward beyond twelve months, as Long term employee benefits and shown under Long term provisions in the Balance sheet.

### ii) Defined Benefit Plans

The Company provides for retirement benefits in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using projected unit credit method at the date of Balance sheet. Actuarial gain and Losses in respect of such benefits are recognized in Statement of Profit & Loss A/c.

## 2.18 Financial instruments

A Financial instrument is any contract that gives rise to financial assets of one entity and a financial liability or equity instrument of another party.

### A. Financial Assets

#### a. Initial recognition

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are recognized initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognized in statement of profit and loss).

#### b. Subsequent measurement

##### i) Financial assets carried at amortized cost (AC)

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### iii) Financial assets at fair value through statement of profit and loss (FVTPL)

###### Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value either as at FVTOCI or FVTPL. The Company makes such election on instrument-by-instrument basis. For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss account.

#### c. De-recognition

A Financial Assets (or where applicable, part of financial assets) is primarily derecognized when:

1. The contractual right to receive cash flows from the assets have expired or
2. The Company has transferred its right to receive cash flow from the financial assets and subsequently all the risks and rewards of ownership of the assets to third party.

#### d. Reclassification of financial assets

Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### e. Impairment of financial assets

The Company recognized loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through Statement of Profit and loss. Loss allowance for trade receivable with no significant financing component is measured at an amount equal to life time ECL.

For all other financial assets, expected credit loss are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

## B. Financial liabilities

### a. Initial recognition and measurement

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. The Company's financial liabilities include trade and other payable, loans and borrowing including bank over drafts, financial guarantee contracts and derivative financial instruments. Fees of recurring nature are directly recognized in statement of profit and loss as finance cost.

### b. Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### i) Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in statement of profit and loss when liabilities are de-recognized. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance cost in the statement of profit and loss.

#### ii) Compound financial instruments

At the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortized cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognized in equity, net of income tax effects, and is not subsequently re-measured.

### c. De-recognition of financial instruments

A financial liability is derecognized where the obligation under the liability is discharged or cancelled or expires where an existing financial liability is replaced by another from the same tender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of new liability. The difference in the respective carrying amounts is recognized in the statement of Profit and Loss.

### d. Offsetting of financial instruments

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the Balance sheet, if there is a currently 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. Fair value measurement

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement" (Ind AS – 113).

For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between



## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

market participants at the measurement date under current market conditions (i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability). Three widely used valuation techniques specified in the said Ind AS are the market approach, the cost approach and the income approach which have been dealt with separately in the said Ind AS.

Each of the valuation techniques stated as above proceeds on different fundamental assumptions, which have greater or lesser relevance, and at times there is no relevance of a particular methodology to a given situation. Thus, the methods to be adopted for a particular purpose must be judiciously chosen. The application of any particular method of valuation depends on the Company being evaluated, the nature of industry in which it operates, the Company's intrinsic strengths and the purpose for which the valuation is made.

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

**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)

### f) Share capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

### 2.19 Impairment Non-financial assets

The carrying amount of any property, plant and equipment and intangible assets with finite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal /external factor. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

An impairment loss is charged to the Statement of Profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment. 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 such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

### 2.20 Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in Equity or in Other Comprehensive Income (OCI).

#### Current tax

Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the balance sheet date. The tax is recognized in statement of profit and loss, except to the extent that it related to items recognized in the OCI or in other equity. In this case, the tax is also recognized in other comprehensive income and other equity.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### Deferred tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax 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 assets to be recovered.

Unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and 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 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.

### 2.21 Earnings per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit/loss before other comprehensive income/loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit/loss before other comprehensive income/loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

### 2.22 Non-current assets (or disposal groups) held for sale and discontinued operations

a) Non-current assets (or disposal groups) are classified as held for sale if their carrying amount would be recovered principally through a sale/distribution rather than through continuing use and a sale/distribution is considered highly probable.

Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/ distribution would be made or that the decision to sell/distribute would be withdrawn. Management must be committed to sale/distribution expected within one year from the date of classification.

b) Immediately before the initial classification of the assets (and disposal groups) as held for sale, the carrying amount of the assets (or all the assets and liabilities in the disposal groups) are measured in accordance with their applicable accounting policy.

Non-current assets (or disposal groups) held for sale/for distribution to owners are subsequently measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

c) Non-current assets including those that are part of a disposal group (PPE and Intangible assets) once classified as held for sale/ distribution to owners are neither depreciated nor amortized. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

d) Non-current assets (including assets of a disposal group) classified as held for sale are presented separately from the other assets in the Balance sheet. The liabilities of a disposal group classified as held for sale/ distribution are presented separately from other liabilities in the Balance sheet.

e) A disposal group qualifies as discontinued operation, if it is a component of equity that has either being disposed of or is classified as Held for sale, and that represents a separate major line of business or geographical area of operations, or is part of a single co-ordinate plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary exclusively with a view to resale.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

Discontinued operations are excluded from the results of continuing operations and are presented separately as a single amount as profit or loss after tax from discontinued operations in the Statement of Profit and Loss and comparative information is restated accordingly.

- f) All notes to the financial statements mainly include amounts for continuing operations, unless stated otherwise.

### 2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/ liabilities".

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director who makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### 2.24 Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

### 2.25 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss 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 item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### Note No. : 2 A Significant accounting judgment, estimates and assumptions

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgment and make certain assumptions in applying the Company accounting policies and preparation of financial statements.

The use of such estimates, judgments and assumptions affect the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

#### Estimates and Assumptions

The Company has based its assumptions and estimates on parameters available when the financial statement was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

- i) **Estimations of uncertainties relating to the global health pandemic from COVID-19:-** The Company has considered the possible impact of internal and external factors that may result from the pandemic relating to COVID-19 known to the management up to date of approval of these accounts, to assess and finalize the

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

carrying amount of assets and liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these condensed financial statements.

- ii) Depreciation and useful lives of property, plant and equipment:** Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.
- iii) Income Tax:** Management judgment is required for calculation of income tax and deferred tax assets and liabilities. Deferred tax assets are recognized for unused losses (carry forward of prior years' losses) to the extent that it is probable that taxable profit would be available against which the losses could be utilized. The Company reviews at each balance sheet date the carrying amount of deferred tax. The factor used in estimate may differ from actual outcome which may lead to significant adjustment in the amounts in financial statement.
- iv) Recoverability of trade receivable:** Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.
- v) Provisions:** Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.
- vi) Impairment of non-financial assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.
- vii) Estimation of Defined benefit obligations:** The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuation.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

### Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

- viii) Impairment of financial assets:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- ix) Fair value measurement of financial instruments:** The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.
- x) Material uncertainty about going concern:** In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

### Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

#### Note No. 3 : Property, Plant and Equipments, Intangible Assets and Capital Work in Progress for Year Ended as on 31.03.2022

The change in carrying value of property, plant and equipment for the year ended 31<sup>st</sup> March, 2022 are as follows (₹ In Lakhs)

Nature of Assets	GROSS CARRYING VALUE				DEPRECIATION/AMORTISATION			NET CARRYING VALUE		
	As on 01.04.2021	Additions during the Year	Sold/ Adjustment during the Year	As on 31.03.2022	Upto 31.03.2021	For the Year	On Sale/ Adjustment	Upto 31.03.2022	As on 31.03.2022	As on 31.03.2021
<b>A. Tangible Assets</b>										
Freehold Land (Factory)	10,370.78	-	-	10,370.78	-	-	-	-	10,370.78	10,370.78
Building	5,543.92	299.10	-	5,843.02	935.36	213.67	-	1,149.03	4,693.99	4,608.56
Leasehold Building Developments	72.02	-	-	72.02	5.65	1.19	-	6.84	65.18	66.37
Plant and Machinery	50,147.38	14,759.99	77.58	64,829.79	11,275.94	2,916.10	19.13	14,172.91	50,656.88	38,871.44
Furniture and Fixtures	197.96	7.54	-	205.50	85.61	14.65	-	100.26	105.24	112.35
Office Equipments	445.25	73.53	1.80	516.98	273.66	62.96	0.78	335.84	181.14	171.59
Weigh Bridges	600.61	68.65	-	669.26	182.50	37.69	-	220.19	449.07	418.11
Vehicles & Tractors	913.98	274.48	89.24	1,099.22	290.53	110.30	43.83	357.00	742.22	623.45
Biological Stock	4.35	-	-	4.35	-	-	-	-	4.35	4.35
<b>Total (A)</b>	<b>68,296.25</b>	<b>15,483.29</b>	<b>168.62</b>	<b>83,610.92</b>	<b>13,049.25</b>	<b>3,356.56</b>	<b>63.74</b>	<b>16,342.07</b>	<b>67,268.85</b>	<b>55,247.00</b>
<b>B. Capital Work in Progress</b>										
Building, Plant & Machinery									448.49	12,674.78
<b>Total (B)</b>									<b>448.49</b>	<b>12,674.78</b>
<b>C. Intangible Assets</b>										
Computer Software	20.10	-	-	20.10	13.31	1.23	-	14.54	5.56	6.79
Right-of-use Assets	120.00	-	26.69	93.31	54.82	34.08	26.69	62.21	31.10	65.18
<b>Total (C)</b>	<b>140.10</b>	<b>-</b>	<b>26.69</b>	<b>113.41</b>	<b>68.13</b>	<b>35.31</b>	<b>26.69</b>	<b>76.75</b>	<b>36.66</b>	<b>71.97</b>
<b>Grand Total (A+B+C)</b>	<b>68,436.35</b>	<b>15,483.29</b>	<b>195.31</b>	<b>83,724.33</b>	<b>13,117.38</b>	<b>3,391.87</b>	<b>90.43</b>	<b>16,418.82</b>	<b>67,754.00</b>	<b>67,993.75</b>
Previous Year	67,299.28	1,162.17	25.10	68,436.35	10,267.57	2,852.12	2.31	13,117.38	67,993.75	61,493.10
Depreciation during Trial Run Period capitalized						70.88				
Depreciation as per statement of Profit & Loss						3,320.99				

**Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022**

**Note No. 3 : Property, Plant and Equipments, Intangible Assets and Capital Work in Progress for Year Ended as on 31.03.2022**

(₹ In Lakhs)

**D. Capital Work in Progress ageing schedule outstanding as on 31.03.2022:**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 Year	1-2 Years	2-3 Years	
Projects in Process	428.49	-	20.00	448.49

**Capital Work in Progress ageing schedule outstanding as on 31.03.2021:**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 Year	1-2 Years	2-3 Years	
Projects in Process	9,190.52	3,465.55	-	12,674.78

**E. The title deeds of the immovable property as disclosed in the Property, Plant and Equipment are held in the name of Company, except for the following freehold land:**

Relevant line item in the balance sheet	Description of item of Property	Gross Carrying Value	Title deed held in the name of	Whether title deed holder is a promoter, director or relative or employee of promoters or directors	Property held since which date	Reason for not being held in the name of company
Note No.3 Freehold Land (Factory)	Khasra No.-122 at Village Barkatpur, Pudrikhurd Pargana-Kiratpur, Tehsil-Najibabad, Distt. Bijnor (U.P.)	0.11 Lakhs	Babu Das s/o Shri Banwari, Motipur, Nigasan Lakhimpur (U.P.)	No	12 <sup>th</sup> August 2004	Statutory procedures are pending

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note No. 4 : Investment</b>		
<b>(i) Investments in Preference Shares instruments-unquoted:</b>		
<b>Shubham Sugars Limited:-At Amortised Cost</b>	-	251.21
NIL (P.Y.300000) 6% Non Cumulative Redeemable Preference Shares at Face Value of ₹100 each at par		
Aggregate carrying value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	-	251.21
<b>Note :</b> The above preference shares have been fully redeemed during the year. Detail are as under: 150000 shares out of above redeemed as on 14.02.2022 and balance 150000 shares redeemed as on 15.03.2022		
<b>Note No. 5 : Other Financial Assets (Unsecured, considered good, unless stated otherwise)</b>		
<b>(i) Non-Current (Unsecured, considered good)</b>		
<b>Carried at amortized cost</b>		
Security deposits with others	9.63	9.63
<b>Fixed deposits with banks and other Govt. depts.</b>		
(Bank deposits with more than 12 months maturity)		
For Molasses storage fund (earmarked) (including interest)	33.09	30.83
<b>Total (i)</b>	<b>42.72</b>	<b>40.46</b>
<b>(ii) Current (Unsecured, considered good)</b>		
<b>Carried at amortized cost</b>		
Advances to employees	106.33	100.32
Security deposits with others	28.98	42.98
Claim receivable	387.40	8,026.16
Other Receivables	192.05	1,078.99
<b>Total (ii)</b>	<b>714.76</b>	<b>9,248.45</b>
<b>Total (i+ii)</b>	<b>757.48</b>	<b>9,288.91</b>
<b>Note No. 6 : Other Non-Current Assets (Unsecured, Considered good unless stated otherwise)</b>		
<b>Capital Advances</b>		
To Others	266.61	327.25
To Related parties (refer note no. 34 o)	-	237.81
Balance with Income Tax department (under protest)	4.00	4.00
Security deposits with Government authorities (including interest)	67.88	54.73
Prepaid expenses	62.55	-
<b>Total</b>	<b>401.04</b>	<b>623.79</b>



**Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note No. 7 : Inventories (Valued at cost or net realisable value, whichever is lower unless stated otherwise)</b>		
(a) Raw material	<b>844.10</b>	132.69
(b) Work-in-progress	<b>1,486.68</b>	1,385.20
(c) <u>Finished Goods</u>		
Sugar	<b>69,548.33</b>	80,574.54
Goods in transit (Sugar)	<b>530.22</b>	57.64
Industrial alcohol	<b>237.53</b>	1,024.66
Goods in transit (Industrial alcohol)	<b>297.69</b>	449.67
Sanitizer	<b>8.30</b>	90.14
Banked power	<b>33.04</b>	435.31
Renewal Energy Certificates (REC)	<b>5.44</b>	191.76
Stock in Trade	<b>1.07</b>	16.21
(d) By-products	<b>5,317.12</b>	6,793.67
(e) Stores, Spare Parts and Packing Materials	<b>1,650.45</b>	1,662.20
<b>Total</b>	<b>79,959.97</b>	92,813.69
Carrying amount of inventories pledged as security for Borrowings (₹ In Lakhs)	<b>46,819.20</b>	50,285.74

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ In Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note No. 8 : Trade and Other Receivables (Carried at Amortized Cost)</b>		
<b>(i) Current (Unsecured)</b>		
Trade receivables-considered good	6,106.26	4,829.34
<b>Total (i)</b>	<b>6,106.26</b>	<b>4,829.34</b>
<b>(ii) Current (Unsecured)</b>		
Trade receivables-which have significant increase in credit risk	-	9.97
Less: Provision for which have significant increase in credit risk	-	9.97
<b>Total (ii)</b>	<b>-</b>	<b>-</b>
<b>Total (i + ii)</b>	<b>6,106.26</b>	<b>4,829.34</b>

## Trade Receivable Ageing schedule outstanding as on 31.03.2022

Particulars	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	
(I) Undisputed Trade Receivables - considered good	5,797.14	302.17	-	-	6.95	6,106.26
(II) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(III) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(IV) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(V) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(VI) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>5,797.14</b>	<b>302.17</b>	<b>-</b>	<b>-</b>	<b>6.95</b>	<b>6,106.26</b>

## Trade Receivable Ageing schedule outstanding as on 31.03.2021

Particulars	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	
(I) Undisputed Trade Receivables - considered good	4,825.67	3.67	-	-	-	4,829.34
(II) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	9.97	9.97
(III) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(IV) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(V) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(VI) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>4,825.67</b>	<b>3.67</b>	<b>-</b>	<b>-</b>	<b>9.97</b>	<b>4,839.31</b>
Less : Provision for Trade Receivable which have significant increase in credit risk					9.97	9.97
<b>Total</b>	<b>4,825.67</b>	<b>3.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,829.34</b>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note No. 9 : Cash and Cash Equivalents</b>		
<b>Balances with banks</b>		
On current accounts	808.96	481.99
Cash on hand	41.05	19.11
<b>Total</b>	<b>850.01</b>	<b>501.10</b>
<b>Note No. 10 : Bank balances other than Cash and Cash Equivalents</b>		
<b>Earmarked balances</b>		
<b>Fixed deposits for molasses storage fund</b>		
Current portion of original maturity period more than 12 months (Including Interest)	5.81	0.56
Original maturity period upto 12 months (Including Interest)	8.31	6.38
<b>Fixed deposits pledged with bank and other Govt. deptt.</b>		
Current portion of original maturity period more than 12 months	-	-
Original maturity period upto 12 months	293.89	386.23
<b>Total</b>	<b>308.01</b>	<b>393.17</b>
<b>Note No. 11 : Current Tax Assets</b>		
Tax Deducted and collected at source	137.33	8.70
Less: Provision for taxation	-	-
<b>Total</b>	<b>137.33</b>	<b>8.70</b>
<b>Note No. 12 : Other Current Assets (Unsecured, considered good)</b>		
<b>Current</b>		
<b>Advances other than capital advances</b>		
To Suppliers and others	126.84	123.05
To Related parties (refer note no. 34 o)	40.00	-
Balance with Government authorities	33.39	31.23
GST Receivable	145.68	113.53
Security deposits with Government authorities	22.11	14.29
Prepaid expenses	177.36	203.07
Other advances	92.54	100.72
<b>Total</b>	<b>637.92</b>	<b>585.89</b>
<b>Note No. 13 : Non Current Assets Classified as Held for Sale</b>		
Assets held for sale	22.47	678.76
<b>Total</b>	<b>22.47</b>	<b>678.76</b>
<b>Particulars of Assets held for sale</b>		
Free hold land	7.82	544.81
Capital work in progress (Plant and machinery)	14.65	133.95
<b>Total</b>	<b>22.47</b>	<b>678.76</b>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
<b>Note No. 14 : Share Capital</b>		
<b>(a) Authorised</b>		
<b>Equity Share Capital</b>		
70000000 Equity Shares of ₹ 10/- each	<b>7,000.00</b>	7,000.00
<b>Redeemable Preference Share Capital</b>		
13500000 Preference Shares of ₹100/- each	<b>13,500.00</b>	13,500.00
<b>Total (a)</b>	<b>20,500.00</b>	20,500.00
<b>(b) Issued, Subscribed and Paid-up Capital</b>		
38138120 Equity Shares of ₹10/- each fully paid up	<b>3,813.81</b>	3,813.81
<b>Total (b)</b>	<b>3,813.81</b>	3,813.81

**a) Terms & Conditions of Equity Shares**

1. The Company has one class of Equity shares having a par value of ₹10/- each.
2. Each shareholder is eligible for one vote per shares held.
3. The dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in the case of interim dividend.
4. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

b) The Company does not have any holding company/subsidiary company and associate company.

c) Shares in the Company held by each shareholders holding more than 5% shares.

Name of Equity Shareholders	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	No. of Shares held	Percentage (%)	No. of Shares held	Percentage (%)
Uttam Adlakha & Sons Holdings Pvt. Limited	16301224	42.74%	16301224	42.74%
Lipi Boilers (P) Limited	3515000	9.22%	3515000	9.22%
Uttam Industrial Engineering (P) Limited	2750000	7.21%	2750000	7.21%

d) There are Nil number of shares (Previous Year Nil) reserved for issue under option and contracts/commitment for the sale of shares/disinvestment including the terms and amounts.

**e) For the period of five years immediately preceding the date at which the balance sheet is prepared**

Particulars	No. of Shares
Aggregate number and class of shares allotted as fully paid up pursuant to Contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	Nil
Aggregate number and class of shares bought back	Nil

f) There are no securities (Previous Year nil) convertible into Equity

g) The Company's shares are fully paid up.

**h) Reconciliation of No. of Shares Outstanding:**

Particulars	31.03.2022	31.03.2021
<b>Equity Shares</b>		
At the beginning of the year	<b>38138120</b>	38138120
Change during the year	-	-
At the end of the year	<b>38138120</b>	38138120

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### Note No. 14 : (i) Share Capital

#### Detail of shareholding of Promoters:

#### Shares held by promoters at the end of year as on 31.03.2022

Promoters/Promoters group Name	No. of shares as on 31.03.2021	% of Total Shares	Change during the year	No. of shares as on 31.03.2022	% of Total Shares	% of Changes
Raj Kumar Adlakha	16,24,610	4.26	-	16,24,610	4.26	-
Rajan Adlakha	3,67,010	0.96	-	3,67,010	0.96	-
Ranjan Adlakha	14,92,550	3.91	-	14,92,550	3.91	-
Uttam Industrial Engineering Pvt. Ltd.	27,50,000	7.21	-	27,50,000	7.21	-
Uttam Sucrotech Ltd.	3,14,267	0.82	-	3,14,267	0.82	-
Lipi Boilers Private Limited	35,15,000	9.22	-	35,15,000	9.22	-
R.K. & Sons (Huf)	4,104	0.01	-	4,104	0.01	-
Balram Adlakha	3,100	0.01	-	3,100	0.01	-
Jai Adlakha	4,200	0.01	-	4,200	0.01	-
Bharat Adlakha	1,66,500	0.44	(1,66,500)	-	0.00	(100)
Saiesha Adlakha	1,66,500	0.44	(1,66,500)	-	0.00	(100)
Sonia Adlakha	10	0.00	-	10	0.00	-
Shomna Adlakha	8,70,410	2.28	-	8,70,410	2.28	-
Kumari Shanta	60,000	0.16	-	60,000	0.16	-
Ranjana Chopra	3,73,300	0.98	-	3,73,300	0.98	-
Shubham Sugars Ltd.	70,240	0.18	-	70,240	0.18	-
Rajni Babbar	1,39,910	0.37	-	1,39,910	0.37	-
Sunayna Sunna Adlakha (U/G-Shomna Adlakha)	-	0.00	1,14,856	1,14,856	0.30	100
Uttam Adlakha & Sons Holdings Private Limited	1,63,01,224	42.74	-	1,63,01,224	42.74	-
New Castle Finance & Leasing Pvt. Ltd.	3,80,650	1.00	-	3,80,650	1.00	-
<b>Total</b>	<b>2,86,03,585</b>	<b>75.00</b>		<b>2,83,85,441</b>	<b>74.43</b>	

#### Shares held by promoters at the end of year as on 31.03.2021

Promoters/Promoters group Name	No. of shares as on 31.03.2020	% of Total Shares	Change during the year	No. of shares as on 31.03.2021	% of Total Shares	% of Changes
Raj Kumar Adlakha	16,24,610	4.26	-	16,24,610	4.26	-
Rajan Adlakha	3,67,010	0.96	-	3,67,010	0.96	-
Ranjan Adlakha	14,92,550	3.91	-	14,92,550	3.91	-
Uttam Industrial Engineering Pvt. Ltd.	27,50,000	7.21	-	27,50,000	7.21	-
Uttam Sucrotech Ltd.	3,14,267	0.82	-	3,14,267	0.82	-
Lipi Boilers Private Limited	35,15,000	9.22	-	35,15,000	9.22	-
R.K. & Sons (Huf)	4,104	0.01	-	4,104	0.01	-
Balram Adlakha	3,100	0.01	-	3,100	0.01	-
Jai Adlakha	4,200	0.01	-	4,200	0.01	-
Bharat Adlakha	1,66,500	0.44	-	1,66,500	0.00	-
Saiesha Adlakha	1,66,500	0.44	-	1,66,500	0.00	-
Sonia Adlakha	10	0.00	-	10	0.00	-
Shomna Adlakha	8,70,410	2.28	-	8,70,410	2.28	-
Kumari Shanta	60,000	0.16	-	60,000	0.16	-
Ranjana Chopra	3,73,300	0.98	-	3,73,300	0.98	-
Shubham Sugars Ltd.	70,240	0.18	-	70,240	0.18	-
Rajni Babbar	1,39,910	0.37	-	1,39,910	0.37	-
Uttam Adlakha & Sons Holdings Private Limited	1,63,01,224	42.74	-	1,63,01,224	42.74	-
New Castle Finance & Leasing Pvt. Ltd.	3,80,650	1.00	-	3,80,650	1.00	-
<b>Total</b>	<b>2,86,03,585</b>	<b>75.00</b>		<b>2,86,03,585</b>	<b>74.13</b>	

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note No. 15 : Other Equity</b>		
<b>(a) Equity Component of Compound Financial Instruments</b>		
As per last Balance Sheet	2,819.18	4,111.42
Less: Annual Impact of Ind AS amortization of preference shares (refer note no. 30)	530.07	600.14
Less: Impact of redemption of Preference Shares out of opening balance	1,065.17	692.10
	<u>1,223.94</u>	<u>2,819.18</u>
<b>(b) Security Premium reserve</b>		
As per last balance sheet	15,252.82	15,252.82
<b>(c) Capital Redemption reserve</b>		
Balance as per Last Balance Sheet	1,676.55	-
Add: Amount transferred during the year	3,390.30	1,676.55
	<u>5,066.85</u>	<u>1,676.55</u>
<b>(d) Retained Earnings</b>		
Balance as per Last Balance Sheet	10,232.77	5,338.27
Less: Transfer to Capital Redemption Reserve on redemption during the year of		
i. 2973300 (P.Y.1451550) 6.50% Non-Cumulative Redeemable Preference Shares	2,973.30	1,451.55
ii. 417000 (P.Y.225000) 10% Non-Cumulative Redeemable Preference Shares	417.00	225.00
Add : Annual Impact of Ind AS amortization of preference shares (refer note no.30)	530.07	600.14
Add : Profit for the Year	13,492.02	5,975.77
Add : Other comprehensive income/loss for the year	55.25	(4.86)
	<u>20,919.81</u>	<u>10,232.77</u>
<b>Total (a+b+c+d)</b>	<u><u>42,463.42</u></u>	<u><u>29,981.32</u></u>
<b>Note No. 16 : Borrowings</b>		
<b>(i) Non-current</b>		
<b>Carried at amortized Cost</b>		
<b>(A) Secured Loan</b>		
<b>Term Loans - from Banks</b>	<u>8,596.62</u>	<u>13,473.50</u>
Zila Sahkari Bank Ltd., Ghaziabad	4,385.67	6,482.48
Uttarakhand State Co-Op. Bank Limited	4,210.95	6,384.36
Punjab National Bank	-	606.66
<b>From entities other than banks</b>		
- From Govt. of India, Sugar Development Fund (SDF)	-	50.31

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>CC Under Repayment from Banks</b>	-	4,119.24
Punjab National Bank	-	2,764.00
IDBI Bank Limited	-	502.24
Indian Overseas Bank	-	853.00
<b>Vehicle Loans</b>	<b>64.99</b>	46.62
- From Banks	<b>49.11</b>	37.78
- From Non banking finance company	<b>15.88</b>	8.84
<b>(B) Unsecured Loans</b>		
- Loan from related parties (refer note no.34 o)	<b>27.31</b>	27.31
<b>Total (i)</b>	<b>8,688.92</b>	17,716.98
<b>(ii) Current Secured Loans</b>		
<b>(A) Loan repayable on demand</b>		
<b>Cash Credit from Banks</b>		
Punjab National Bank	<b>10,208.92</b>	8,683.85
State Bank of India	<b>8,444.01</b>	12,873.57
Uttarakhand State Co-Op. Bank Limited	<b>4,983.61</b>	4,966.54
Zila Sahkari Bank Limited, Bijnor	<b>4,681.25</b>	4,934.75
Zila Sahkari Bank Limited, Ghaziabad	<b>5,094.62</b>	4,999.34
District Co-Operative Bank Limited, Bulandshahr	<b>2,044.62</b>	2,981.04
District Co-Operative Bank Limited, Muzaffarnagar	<b>8,782.75</b>	9,846.65
District Co-Operative Bank Limited, Saharanpur	<b>2,579.42</b>	1,000.00
<b>Total (ii) (A)</b>	<b>46,819.20</b>	50,285.74
<b>Carried at amortized Cost</b>		
<b>(B) Current maturities of long term debt</b>		
<b>Secured Loans</b>		
<b>Term Loans - from Banks</b>	<b>6,211.04</b>	7,101.64
Zila Sahkari Bank Ltd., Ghaziabad	<b>4,159.23</b>	3,327.98
District Co-Operative Bank Limited, Bulandshahr	-	689.61
Uttarakhand State Co-Op. Bank Limited	<b>1,697.96</b>	1,941.08
Punjab National Bank - CECF	<b>353.85</b>	1,142.97
<b>From entities other than banks</b>		
- From Govt. of India, Sugar Development Fund (SDF)	<b>50.31</b>	166.68
<b>CC Under Repayment from Banks</b>	<b>1,487.11</b>	5,969.25
Punjab National Bank	<b>1,199.90</b>	4,312.23
IDBI Bank Limited	<b>105.03</b>	525.85
State Bank of India	-	579.19
Indian Overseas Bank	<b>182.18</b>	551.98
<b>Vehicle Loans</b>	<b>64.75</b>	78.17
- From Banks	<b>50.93</b>	53.45
- From Non banking finance Company	<b>13.82</b>	24.72
- Soft Loan from Uttarakhand State Government	<b>656.68</b>	656.68
<b>Total (ii) (B)</b>	<b>8,469.89</b>	13,972.41
<b>Total (iiA + iiB)</b>	<b>55,289.09</b>	64,258.15
<b>Total (i + iiA + iiB)</b>	<b>63,978.01</b>	81,975.13

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### I) Terms & Conditions of Secured Loans

#### a) Security Clauses:

#### 1. CC Under Repayment from Banks:

- i. CC Under repayment from Banks are secured on first pari passu charge by way of Joint Equitable Mortgage on Company's immovable properties and first charge by way of hypothecation of all movable properties of the Company on pari passu basis, subject to prior charge created / to be created in favour of Company's Bankers (except Co-operative bank loan) for securing borrowings for working capital requirements of the Company.
- ii. CC Under repayment from Banks are also secured by third pari-passu charge basis on whole of the current assets (stock, book debts etc.), both present and future.
- iii. CC Under repayment from Banks is also secured by way of Pledge on pari-passu basis of 94,84,170 Equity Shares in the company held by Promoters of the Company viz. Mr. Raj Kumar Adlakha, Mr. Rajan Adlakha, Mr. Ranjan Adlakha, M/s Uttam Industrial Engineering Private Limited, M/s Uttam Sucrotech Limited and M/s Lipi Boilers Private Limited. (\*\*)
- iv. CC Under repayment from Banks are also guaranteed by Managing Director (Mr. Raj Kumar Adlakha) and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha) and corporate guarantees of five Promoter / Group Companies (viz. Uttam Industrial Engineering Private Limited, Uttam Sucrotech Limited, Lipi Boilers Private Limited, Uttam Housinginfra Limited and Uttam Adlakha & Sons Holdings Private Limited).
- v. CC Under Repayment from Banks are also secured by way of Equitable Mortgage on pari pasu basis of the immovable properties situated at H-2, Kaushambi, Ghaziabad owned by a group company, M/s Uttam Housinginfra Limited.  
(\*\*) Lenders have released 3484170 equity shares of individual promoters out of total pledged 9484170 equity shares, after 31.03.2022.

#### 2. Term Loan [COVID-19 Emergency Credit Facility (PNB-CECF)] from Punjab National Bank:-

- i. Term Loan PNB-CECF is also secured by pledge of warehouse receipt covering sugar stocks in possession of collateral managers appointed by bank.
- ii. Term Loan PNB-CECF is secured on first pari passu charge over entire current assets of the Company (both present & future).
- iii. Term Loan PNB-CECF is also secured on third Pari passu charge on entire Block of assets of the company.
- iv. Term Loan PNB-CECF is also guaranteed by Mr. Raj Kumar Adlakha, Managing Director and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha) and corporate guarantees of five Promoter / Group Companies (viz. Uttam Industrial Engineering Private Limited, Uttam Sucrotech Limited, Lipi Boilers Private Limited, Uttam Housinginfra Limited and Uttam Adlakha & Sons Holdings Private Limited).

#### 3. Term Loan from Govt. of India, Sugar Development Fund through IFCI Ltd.:

Term Loan from Govt. of India, Sugar Development Fund through IFCI Ltd is secured by an exclusive second charge on movable assets (except book debts) and Company's immovable properties.

#### 4. Term Loan from Uttarakhand State Co-Operative Bank Limited for cane payment and Libberheri (Distillery) and Soft Loan:

Term Loan from Uttarakhand State Co-Operative Bank Limited is secured by First charge on all movable assets forming part of fixed/block assets both present & future, and Joint Equitable Mortgage on company's immovable properties situated at Village Libberheri, Roorkee, District Haridwar (Uttarakhand) on First Charge basis and also guaranteed by Managing Director.

#### 5. Term Loan from Zila Sahkari Bank Limited, Ghaziabad:

##### a) For off season expenses including repair and maintenance

Term Loans from Zila Sahkari Bank Limited, Ghaziabad for the sugar factories of the company situated at Village Shermau, Village Khaikheri and Village Barkatpur, are secured on Residual charge basis on movable assets forming part of fixed/block assets, both present & future, and Joint Equitable Mortgage on company's



## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

immovable properties to be created on the respective factories for which credit facility is availed and also guaranteed by Managing Director.

### b) For payment of cane price arrears of Sugar Season 2016-17 and 2017-18

Term Loans from Zila Sahkari Bank Limited, Ghaziabad for the sugar factories of the company situated at Village Shermau, Village Khaikheri and Village Barkatpur, are secured on First charge basis on all movable assets forming part of fixed/block assets, both present & future and Joint Equitable Mortgage on company's immovable properties on the respective factories for which credit facility is availed and also guaranteed by Managing Director.

### c) Term Loan for Incineration Boiler installation at Barkatpur Unit

Term Loans from Zila Sahkari Bank Limited, Ghaziabad for installation of Incineration Boiler at Barkatpur Unit is secured on First charge basis on all Fixed assets of the sugar factory at Barkatpur Unit of the Company, both present & future on pari-passu basis, including assets created/to be created out of the said Term Loan and also guaranteed by Managing Director.

### 6. Term Loan from District Co-operative Bank Limited, Bulandshahr

Term Loan from District Co-Operative Bank Limited, Bulandshahr (since fully repaid during the year) was secured on Residual charges basis on the block assets, both present & future of the company and first charge basis on the assets created out of the said loan, and also guaranteed by Managing director and further secured by corporate guarantee by M/s Lipi Boilers Pvt. Limited.

### 7. Vehicle loans:

Vehicle loans from banks/ Non-Banking Finance Company are secured by way of hypothecation of vehicle financed by them.

### II) Terms & Conditions of Unsecured Loans

Unsecured Loans from Related parties shall be repayable after a period of more than one year. Interest @ 10% will be accrued annually on 31<sup>st</sup> March every year but is payable on maturity or date of repayment of loan, whichever is earlier.

### III) For Short Term Borrowings

#### 1. Non-Fund Based Working Capital Limits from Punjab National Bank (Working Capital Limits)

- a) Non-Fund Based Working Capital Limits from Punjab National Bank are secured/to be secured by first pari passu charges by hypothecation of stocks of raw materials, sugar, molasses, other stores and spares and book debts/receivables of the Company both present and future and third pari passu charge on movable and immovable assets of the Company.
- b) Non-Fund Based Working Capital Limit is also guaranteed by Raj Kumar Adlakha, Managing Director and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha) and corporate guarantees of five Promoter / Group Companies (viz. Uttam Industrial Engineering Private Limited, Uttam Sucrotech Limited, Lipi Boilers Private Limited, Uttam Housinginfra Limited and Uttam Adlakha & Sons Holdings Private Limited).
- c) Joint Equitable Mortgage on the immovable properties situated at H-2, Kaushambi, Ghaziabad owned by a group company, M/s Uttam Housinginfra Limited.

#### 2. Working Capital Demand Loan from State Bank of India

Working Capital Demand Loan from State Bank of India are secured by Exclusive Charge by way of pledge of stocks kept under commodity backed warehouse receipt finance scheme of SBI and guaranteed by Sh. Raj Kumar Adlakha and Corporate Guarantee of Uttam Adlakha and Sons Holding Pvt Limited.

#### 3. Cash Credit (Pledge) Limit from Punjab National Bank:-

- a) Cash Credit (Pledge) Limit from Punjab National Bank is secured by way of pledge of warehouse receipt covering sugar stocks in possession of collateral managers appointed by bank.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

- b) Cash Credit (Pledge) Limit from Punjab National Bank is also guaranteed by Managing Director (Mr. Raj Kumar Adlakha) and two other promoters of the Company (viz. Mr. Rajan Adlakha & Mr. Ranjan Adlakha) and corporate guarantees of five Promoter / Group Companies (viz. Uttam Industrial Engineering Private Limited, Uttam Sucrotech Limited, Lipi Boilers Private Limited, Uttam Housinginfra Limited and Uttam Adlakha & Sons Holdings Private Limited).
- c) Cash Credit (Pledge) Limit from Punjab National Bank is secured/to be secured on the third pari passu charge on immovable assets of the Company.

#### 4. Cash Credit facility from Uttarakhand State Co-Operative Bank Limited:-

Cash Credit facility from Uttarakhand State Co-Operative Bank Limited is secured by pledge of stocks of sugar at Libberheri Sugar Factory of the Company. The Cash Credit Facility is also secured by Residual charge on immovable and movable properties of the Libberheri Sugar Factory of the Company.

#### 5. Cash Credit (Pledge) facility from District Co-operative Bank Limited, Muzaffarnagar:-

Cash Credit facility from District Co-operative Bank Ltd. Muzaffarnagar is secured by Pledge of stocks of sugar at Khaikheri Sugar Factory of the Company. The Cash Credit Facility is also secured by Residual charge on immovable and movable properties of the Khaikheri Sugar factory of the Company. This facility is also guaranteed by Managing Director.

#### 6. Cash Credit facility from Zila Sahkari Bank Limited, Ghaziabad

##### a) Cash Credit facility for Khaikheri Unit

Cash Credit facility from Zila Sahkari Bank Limited, Ghaziabad is secured by pledge of stocks of sugar at Khaikheri Sugar Factory of the Company. The Cash Credit facility is also secured by Residual charge on the immovable properties of the Khaikheri Sugar factory of the Company. This facility is also guaranteed by Managing Director.

##### b) Cash Credit facility for Shermau Unit

Cash Credit facility from Zila Sahkari Bank Limited, Ghaziabad is secured by pledge of stocks of sugar at Shermau Sugar Factory of the Company. The Cash Credit facility is also secured by Residual charge on the immovable properties of the Shermau sugar factory of the Company. This facility is also guaranteed by Managing Director.

#### 7. Cash Credit facility from District Co-operative Bank Limited, Bulandshahr for Shermau Unit

Cash Credit facility from Zila Sahkari Bank Limited, Bulandshahr is secured by pledge of stocks of sugar at Shermau Sugar Factory of the Company. The Cash Credit facility is also secured by Residual charge on immovable and movable properties of the Shermau Sugar factory of the Company. This facility is also guaranteed by Managing Director.

#### 8. Cash Credit facility from Zila Sahkari Bank Limited, Bijnor for Barkatpur Unit

Cash Credit facility from Zila Sahkari Bank Limited, Bijnor is secured by Pledge of stocks of sugar at Barkatpur Sugar factory of the Company. This facility is also guaranteed by Managing Director.

#### 9. Cash Credit facility from District Co-operative Bank Ltd. Saharanpur for Shermau Unit

Cash Credit facility from District Co-operative Bank Ltd. Saharanpur is secured by pledge of stocks of sugar at Shermau Sugar factory of the Company. The Cash Credit facility is also secured by Residual charge on immovable and movable properties of the Shermau Sugar factory of the Company. This facility is also guaranteed by Managing Director.

#### Terms & Condition of Unsecured Loan from Uttarakhand State Government :

Unsecured Soft Loan from Uttarakhand State Government amounting to ₹656.68 lakhs and interest accrued & due thereon of ₹451.10 lakhs was repayable in three years in quarterly installments w.e.f. January 2008 however the same continues to be unpaid. An application for waiver off such loan is pending with the Government of Uttarakhand.

## Notes on Financial Statements for the Year Ended 31<sup>st</sup> March, 2022

### MATURITY PROFILE AS ON 31<sup>ST</sup> MARCH, 2022

(₹ in Lakhs)

Bank Name	ROI	Long Term						Total
		2023-24			2024-25			
		No of Inst.	₹ in Lakhs		No of Inst.	₹ in Lakhs		
Uttarakhand State Co-op. Bank Ltd. (New Soft Loan)	11.00%	12	803.39	+	2	185.89	+	<b>989.28</b>
Uttarakhand State Co-op. Bank Ltd. (Distillery)	11.00%	12	1,082.14	#	9	935.85	#	<b>2,017.99</b>
Uttarakhand State Co-op. Bank Ltd. (Cane Loan)	11.00%	12	595.88	\$	11	607.80	\$	<b>1,203.68</b>
Zila Sahakari Bank Ltd. Ghaziabad- R&M	11.00%	9	1,125.00					<b>1,125.00</b>
Zila Sahkari Bank Ltd. Ghaziabad- Soft Cane Loan	5.00%	12	1,736.43	&	2	265.24	&	<b>2,001.67</b>
Zila Sahkari Bank Ltd. Ghaziabad - Incineration Boiler	11.00%	12	755.40	^	8	503.60	^	<b>1,259.00</b>
Toyota Financial Services India Limited	7.30%	12	7.86		9	5.73		<b>13.59</b>
Toyota Financial Services India Limited	8.98%	4	2.29					<b>2.29</b>
Punjab National Bank	6.75%	12	22.80		8	12.94		<b>35.74</b>
Punjab National Bank	7.40%	12	8.90		6	4.47		<b>13.37</b>
<b>Total</b>			<b>6,140.09</b>			2,521.52		<b>8,661.61</b>

+including ₹119.80 Lakhs on account of effective rate of interest adjustment.

#including ₹219.11 Lakhs on account of effective rate of interest adjustment.

\$including ₹11.57 Lakhs on account of effective rate of interest adjustment.

&including ₹362.42 Lakhs on account of effective rate of interest adjustment.

^including ₹195.55 Lakhs on account of effective rate of interest adjustment.

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note No. 17 : Other Financial Liabilities</b>		
<b>(i) Non-current</b>		
Reclassification of Preference shares capital as financial liabilities	2,397.21	4,609.27
<b>Following preference shares redeemed during the year</b>		
2973300 (P.Y.1451550) 6.50% Non-Cumulative Redeemable Preference Shares		
417000 (P.Y.225000) 10% Non-Cumulative Redeemable Preference Shares		
<b>Outstanding of preference shares at the end of the year are as under:-</b>		
575150 (P.Y.3548450) 6.50% Non-Cumulative Redeemable Preference Shares		
1523000 (P.Y.1940000) 10% Non-Cumulative Redeemable Preference Shares		
<b>Total (i)</b>	<b>2,397.21</b>	<b>4,609.27</b>
<b>(ii) Current</b>		
Interest accrued but not due on borrowings	22.16	20.07
Interest accrued and due on borrowings	451.10	424.83
Security deposits	504.21	501.54
Due to directors	34.88	19.30
Due to scheduled bank (book overdraft)	-	255.91
Other Liabilities	357.07	913.01
<b>Total (ii)</b>	<b>1,369.42</b>	<b>2,134.66</b>
<b>Total (i + ii)</b>	<b>3,766.63</b>	<b>6,743.93</b>

Terms & condition of Preference Shares capital reclassified due to adoption of Ind AS as financial Liabilities, is as under:-

**Series-1 6.50% Non-Cumulative Redeemable Preference Shares**

1. Rate of dividend on these Preference shares is 6.50%.
2. The Preference shares are Non-Cumulative with reference to the dividend.
3. The Preference shares shall be redeemed on the call of the Company on or before 31<sup>st</sup> March, 2026.
4. The Preference shareholders will have no voting rights except as provided in the Companies Act, 2013.

**Series-2 10% Non-Cumulative Redeemable Preference Shares**

1. Rate of dividend on these Preference shares is 10%.
2. The Preference shares are Non-Cumulative with reference to the dividend.
3. The Preference shares shall be redeemed on the call of the Company on or before 31<sup>st</sup> March, 2026.
4. The Preference shareholders will have no voting rights except as provided in the Companies Act, 2013.

**Note No. 18 : Deferred Revenue (including Government grant)**

<b>Opening Balance</b>	<b>2,287.01</b>	2,469.26
Add: Received during the year	27.88	462.69
Less : Released to statement of profit and loss account	755.71	644.94
<b>Closing Balance</b>	<b>1,559.18</b>	2,287.01
<b>Current</b>	<b>662.30</b>	748.23
<b>Non Current</b>	<b>896.88</b>	1,538.78

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note No. 19 : Provisions</b>		
<b>(i) Non-current</b>		
Provision for employee benefits	1,581.58	1,451.74
<b>(ii) Current</b>		
Provision for employee benefits	233.89	219.89
<b>Total</b>	<b>1,815.47</b>	<b>1,671.63</b>

**Note No. 20 : Deferred Tax Liabilities**

Particulars	As At 01.04.2021	During the Year	As At 31.03.2022
<b>DEFERRED TAX LIABILITY</b>			
Deferred tax liability on comprehensive income	(38.64)	18.60	(20.04)
Difference between book & tax depreciation	6588.32	977.09	7565.41
Deferred tax liability on land revaluation reserve	1250.00	(170.00)	1080.00
	<b>7799.68</b>	<b>825.69</b>	<b>8625.37</b>
<b>DEFERRED TAX ASSETS</b>			
Expenses allowed u/s 43-B on paid basis	402.59	53.00	455.59
Unabsorbed losses (refer note no. 34 t)	3818.80	(3468.00)	350.80
	<b>4221.39</b>	<b>(3415.00)</b>	<b>806.39</b>
<b>Net deferred tax liabilities</b>	<b>3578.29</b>	<b>4240.69</b>	<b>7818.98</b>

**Note No. 21: Trade and Other Payables****Trade Payable Ageing schedule outstanding as on 31.03.2022**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(I) MSME	399.68	1.73	0.88	-	402.29
(II) Others	27,645.21	179.25	451.45	876.49	29,152.40
(III) Disputed dues - MSME	-	-	-	-	-
(III) Disputed dues - Others	-	-	-	16.63	16.63
<b>Total</b>	<b>28,044.89</b>	<b>180.98</b>	<b>452.33</b>	<b>893.12</b>	<b>29,571.32</b>

**Trade Payable Ageing schedule outstanding as on 31.03.2021**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(I) MSME	695.01	1.40	3.35	6.24	706.00
(II) Others	43,203.75	496.92	498.27	472.89	44,671.83
(III) Disputed dues - MSME	-	-	-	-	-
(III) Disputed dues - Others	-	-	-	16.63	16.63
<b>Total</b>	<b>43,898.76</b>	<b>498.32</b>	<b>501.62</b>	<b>495.76</b>	<b>45,394.46</b>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Note No. 22 : Other Current liabilities</b>		
<b>Other Payables</b>		
Statutory liabilities	848.32	543.24
Advance from customers	926.98	831.53
Other liabilities	393.51	445.92
<b>Total</b>	<b>2,168.81</b>	<b>1,820.69</b>
<b>Note No. 23 : Contingent liabilities</b>		
(i) Claims against the Company not acknowledged as debts:		
a) Excise duty/service tax/GST	115.66	116.72
b) Sales Tax/VAT	7.45	7.45
c) Income Tax	28.87	28.87
d) Cane Purchase Tax	94.78	94.78
e) Administration Charges on Molasses	8.12	-
f) In respect of pending court cases by/against ex-employees amount not ascertainable at this stage	-	-
<u>Note:-</u> The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore can not be predicted accurately or relate to a present obligations that arise from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimates can not be made. Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.		
<b>(ii) Guarantees excluding financial liabilities</b>		
i) Bank guarantees issued	845.34	970.46
<b>(iii) Other money for which the Company is contingently liable</b>		
i) Letter of credit in favour of suppliers	182.28	26.46
<b>Total</b>	<b>1,282.50</b>	<b>1,244.74</b>
<b>Note No. 24 : Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	241.24	1,102.85
<b>Total</b>	<b>241.24</b>	<b>1,102.85</b>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
<b>Note No. 25 : Revenue from Operations</b>		
(a) Sale of products	2,00,831.30	1,73,825.52
(b) Other operating revenues	2,603.29	8,033.51
<b>Gross Sales</b>	<b>2,03,434.59</b>	<b>1,81,859.03</b>
<b>Particulars of Sale of Products</b>		
Sugar	1,63,290.23	1,49,656.56
Molasses	1,719.26	2,428.36
Power	5,710.61	5,367.22
Distillery	29,759.14	15,961.43
Others	352.06	411.95
<b>Total</b>	<b>2,00,831.30</b>	<b>1,73,825.52</b>
<b>Particulars of Other operating revenues</b>		
Subsidy under Maximum Admissible Export Quota	829.11	6,745.58
Sale of Pesticides, cane seeds etc.	915.48	1,135.62
Others	858.70	152.31
	<b>2,603.29</b>	<b>8,033.51</b>
<b>Note No. 26 : Other Income</b>		
(a) Interest income	24.92	46.21
(b) Interest income based on effective interest rate	755.71	572.50
(c) Income on Fair Value of investment adjustment	48.79	-
(d) Provision for doubtful debts reversed	9.97	-
(e) Profit on sale of assets	457.30	71.67
(f) Miscellaneous income	270.17	170.29
<b>Total</b>	<b>1,566.86</b>	<b>860.67</b>
<b>Note No. 27 : Cost of Raw Materials Consumed</b>		
Opening Stocks	132.69	279.17
Purchases	1,36,125.86	1,34,150.63
	<b>1,36,258.55</b>	<b>1,34,429.80</b>
Less : Closing Stocks	844.10	132.69
Add: Trial Run Period Cost (Refer Note No.34 I)	12.60	-
<b>Material Consumed</b>	<b>1,35,427.05</b>	<b>1,34,297.11</b>
<b>Note No. 28 : Changes in Inventories of Finished Goods, By-Products, Work-In-Progress and Stock in Trade</b>		
<b>Opening Stocks</b>		
Finished goods	82,316.42	84,890.07
Goods in Transit	507.31	-
Work-in-progress	1,385.20	1,103.70
By-products	6,793.67	5,103.75
Stock in Trade	16.21	64.64
<b>Total</b>	<b>91,018.81</b>	<b>91,162.16</b>
<b>Closing Stocks</b>		
Finished goods	69,832.66	82,316.42
Goods in Transit	827.91	507.31
Work-in-progress	1,486.68	1,385.20
By-products	5,317.12	6,793.67
Stock in Trade	1.07	16.21
<b>Total</b>	<b>77,465.44</b>	<b>91,018.81</b>
<b>Decrease in Stocks</b>	<b>13,553.37</b>	<b>143.35</b>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
<b>Note No. 29 : Employee Benefits Expenses</b>		
Salaries and wages	8,149.46	7,613.09
Contribution to provident and other funds	254.20	214.07
Staff welfare expenses	236.57	253.29
<b>Total</b>	<b>8,640.23</b>	<b>8,080.45</b>
<b>Note No. 30 : Finance Costs</b>		
Interest expenses based on effective interest rate	1,422.88	1,191.66
Loss on fair value of Investment adjustment	-	48.79
Interest expenses	5,751.08	6,955.96
Other borrowing cost	318.49	415.00
<b>Total</b>	<b>7,492.45</b>	<b>8,611.41</b>
<b>Note No. 31 : Other Expenses</b>		
<b>(A) Manufacturing Expenses</b>		
Packing materials consumed	3,046.85	2,860.74
Consumption of stores, spares	1,739.98	1,477.36
Power and fuel	1,084.84	915.67
Other manufacturing expenses	978.46	876.71
<b>Repairs to :</b>		
Plant and Machinery	3,719.14	2,948.66
Buildings	119.04	89.13
Others	127.30	133.56
<b>Total (A)</b>	<b>10,815.61</b>	<b>9,301.83</b>
<b>(B) Administrative and Other Expenses</b>		
Rent	233.27	346.37
Rates and taxes	305.94	446.38
Printing and stationery	45.90	51.43
Postage, courier and telephones	46.40	48.16
Travelling and Conveyance	231.48	185.93
Fees and subscription	160.29	130.27
Legal and professional charges	360.03	270.62
Auditors' remuneration	13.85	15.26
Vehicle running and maintenance	283.27	217.97
Insurance	247.71	243.98
Cane development expenses	1,035.48	1,201.40
Contribution to Political Party	150.00	-
Charity & donation	2.28	34.10
Loss on sale/damage of fixed assets	121.98	162.36
Corporate social responsibility expenses (refer note no. 34 q)	235.13	135.53
Environment Expenses	24.03	76.50
Office & Other administration expenses	88.87	78.74
<b>Total (B)</b>	<b>3,585.91</b>	<b>3,645.00</b>



Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
<b>(C) Selling &amp; Distribution Expenses</b>		
Business promotion	2.78	1.72
Sugar handling expenses	339.76	409.52
Commission on sales	804.36	973.17
Freight outward	3,026.24	2,955.26
Other selling expenses	201.58	190.60
Compensation paid	36.99	234.42
<b>Total (C)</b>	<b>4,411.71</b>	<b>4,764.69</b>
<b>Total (A+B+C)</b>	<b>18,813.23</b>	<b>17,711.52</b>
<b>Note No. 32 : Tax expense</b>		
Current tax	-	-
Deferred tax	4,222.09	3,606.55
Tax Impact on account of New Tax Regime	-	2,914.11
Income tax for earlier year	-	(1,497.50)
<b>Total</b>	<b>4,222.09</b>	<b>5,023.16</b>
<b>Reconciliation of tax expenses</b>		
Profit before tax	17,714.11	10,998.93
Applicable tax rate 25.168%	4,458.29	2,768.21
<b>Computed tax expenses</b>	<b>4,458.29</b>	<b>2,768.21</b>
<b>Adjustments for :</b>		
Effect of tax expenses not allowed for tax purpose	97.50	42.69
Effect of tax on loss/profit on sale of fixed assets	(84.39)	22.83
Effect on assessable income difference of earlier year	(24.47)	27.18
Effect of tax on Renewable energy certificate	(51.42)	(1.18)
Effect of deferred tax assets on capital losses	(145.88)	-
Effect of MAT reversed excess provide in earlier years	-	1,998.09
Effect of deferred tax on comprehensive income and term loan expenses	18.60	(3.25)
Effect of deferred tax liabilities on land revaluation reserve due to indexation	(170.00)	-
Effect of tax on Ind AS adjustments	123.86	168.59
<b>Net adjustments</b>	<b>(236.20)</b>	<b>2,254.95</b>
<b>Tax expenses</b>	<b>4,222.09</b>	<b>5,023.16</b>
<b>Note No. 33 : Other comprehensive income/loss</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Re-measurements of defined benefit plans	73.85	(6.50)
Less: Income tax relating to items that will not be reclassified to profit or loss	(18.60)	1.64
<b>Total</b>	<b>55.25</b>	<b>(4.86)</b>

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### Note No. 34 :

- a. Based upon the information received from vendors regarding their status under the "Micro, Small and Medium Enterprises Development Act, 2006", (MSMED Act) the relevant Information is provided below:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
(a) Principal amount and interest due thereon remaining unpaid to any supplier at the end of accounting year		
i) Principal amount	<b>402.29</b>	706.00
ii) Interest due on above	<b>3.64</b>	3.47
(b) the amount of interest paid by the company under MSMED Act along with the amounts of payment made to the supplier beyond the appointed day during the accounting year	-	-
(c) 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 this Act.	<b>5.93</b>	-
(d) the amount of interest accrued and remaining unpaid at the end of accounting year	<b>27.63</b>	18.06
(e) the amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of this Act.		

- b. All the Current assets, loans and advances, in the opinion of the Board, have a value on realization which in the ordinary course of business shall at least be equal to the amount at which it is stated in the balance sheet.
- c. The Company has made an investment of the requisite amount for setting up new projects in the State of Uttar Pradesh in accordance with the UP Sugar Industry Promotion Policy, 2004 and has accordingly filed application for eligibility under the above policy. However, the State Government has later on terminated the Policy with effect from June 4, 2007 and based on that rejected the application. The Company had filed writ petition before Hon'ble Allahabad high court (Lucknow Bench) for enforcement of the scheme and settlement of incentive claims. The writ petitions were allowed vide common Judgment dated 12.02.2019 of Hon'ble Allahabad High court (Lucknow Bench) that the petitioners are entitled for consideration of all the benefits in the form of exemptions/ remission/ reimbursements as per the Sugar Industry Promotion Policy – 2004 and various notifications issued there under from time to time for the entire period of the validity of the Policy. As per Hon'ble court, Since the matter has become quite old it will be appropriate that the cases may be examined and benefits may be given within a maximum period of two months from the date of order. However, the State Government has challenged the order of the Hon'ble Allahabad High court (Lucknow Bench) in Supreme Court where their petition has been admitted, and now the matter is pending in Supreme Court. However, The Company have submitted the claim on 4<sup>th</sup> September 2020 with Cane Commissioner of Uttar Pradesh (Appropriate Authority) for an amount of ₹ 3847 lakhs as Capital Subsidy and for remission / exemption / reimbursement of taxes, duties and other charges aggregating of ₹ 5489 lakhs. The claim will be accounted for when it will be approved by the appropriate authority.
- d. During the year ended March 31, 2022 an amount to ₹ 829.11 lakhs (previous year ₹ 3649.73 Lakhs) has been recognized as financial assistance in Revenue from operations pertaining to export made under Maximum Admissible Export Quota (MAEQ) allotted to the company as per the notification no.1(6)/2020-SP-1 dated 29.12.2020 issued by Ministry of Consumer affairs and Food & Public Distribution for improving of liquidity position of sugar mills enabling them to clear cane price dues of farmers for sugar season 2020-21 and cane price arrears of previous sugar season, and for providing assistance to sugar mills for expenses on marketing cost including handling, upgrading and other procuring cost and cost of international and internal transport and freight charges on export of sugar.

### Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

- e. The Pradeshia Industrial & Investment Corporation of Uttar Pradesh Limited (PICUP) had issued letter of comfort on 12.01.2020 for grant facilities / relief under Industrial Investment and Employment Promotion policy-2017 (IIEPP-2017) in respect which company has accounted for and submitted claim of ₹ 108.75 lakhs up to 31.03.2020 on 19.02.2021 with PICUP for approve interest subsidy of ₹92.69 lakhs and ₹16.06 lakhs for GST/VAT refund.
- f. During the year company has installed a 50 KLPD Ethanol distillery plant at its unit at Libberheri, Tehsil Rookree, Uttarakhand and applied for capital subsidy of ₹500 lakhs under the scheme of Ministry of Commerce and Industry Industrial Development scheme for Himachal Pradesh & Uttarakhand, 2017, the same will be accounted for after getting approval and letter of comfort.
- g. The code on Social security, 2020 (code) relating to employee benefits during employment and post-employment benefits received Presidential assents in September 2020. The code has been published in the Gazette of India. The code would impact the contributions by the Company towards provident fund and Gratuity. However, the date on which code will come into effect has not been notified. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which, the code becomes effective and the related rules to determine the financial impact are published.
- h. The Board of Directors has proposed a dividend on 6.50% Redeemable Preference shares and on 10% Redeemable Preference shares and ₹ 2/- per equity share of ₹ 10/- each, for the year ended 31<sup>st</sup> March, 2022, which are subject to approval of Shareholders at the ensuing Annual General Meeting of the Company.

i. **Lease**

- a. The Company's lease assets primarily consist of building for offices having the various lease terms. The Company also has certain leases of with lease terms of 12 months or less. Such lease applies the 'short term lease' recognition exemptions for those lease.

- b. Following is carrying value of right of use assets and the movement there of (₹ in Lakhs)

Particulars	Current year	Previous year
Opening Balance	65.18	92.59
Additions during the year	-	-
Deletion during the year	-	-
Depreciation of Right-of-use assets (refer note no.3)	34.08	27.41
Closing Balance (refer note no.3)	31.10	65.18

- c. Following is carrying value of liabilities and movement there of :- (₹ in Lakhs)

Particulars	Current year	Previous year
Opening Balance	60.33	92.16
Additions during the year	-	-
Finance Cost accrued during the year	3.93	8.37
Deletion during the year	-	-
Payment of lease liabilities including interest	26.40	40.20
Closing Balance	37.86	60.33
Current Maturities of Lease liabilities	24.51	20.55
Non-Current Maturities of Lease liabilities	13.35	39.78

- d. Impact on Statement of Profit and Loss for the year ended March 31, 2022 (₹ in Lakhs)

Particulars	Current year	Previous year
- Decrease in rent expenses ( included in other expenses)	26.40	40.20
- Increase in finance cost	3.93	8.37
- Increase in depreciation and amortization expenses	34.08	27.41
Net increase / (Decrease) in Profit before tax	(11.61)	4.42

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

- j. In terms of Ind AS 36 on impairment of assets, there was no impairment indicators exist as of reporting date as per the internal management estimates done and hence no impairment charge is recognized during the year under review.
- k. During the financial year borrowing cost of ₹ 71.08 lakhs (Previous Year ₹ 320.42 lakhs) capitalized to capital work in progress/ fixed assets.
- l. The Company has successfully set up 50 KLPD Ethanol Capacity Distillery having 20TPH incineration boiler along with 3 MW Turbine and Multi effect evaporator (MEE) at Libberheri Unit Roorkee, Uttarakhand. Trial run of this project has been started on 02.07.2021, all Expenses incurred before and up to the Trial Run period have been allotted and amortized to capital work in progress and capitalized. Details of Trial run expenses is as under:-

(₹ in Lakhs)

Particulars	Current year
Cost of material consumed	278.65
Salary & Wages	111.92
Stores, spares Consumed	19.32
Power & Fuel	77.60
Transportation charges on Sales	23.99
Depreciation	70.88
Other Expenses	9.65
<b>Total Expenses</b>	<b>592.01</b>
<b>Less:</b>	
Sales during Trial Run Period	316.25
Stock out of Trial Run (Refer note no.27)	12.60
<b>Amount Capitalized</b>	<b>263.16</b>

m. **Segment Information:**

The Managing director has been identified as the Company's Chief Operating Decision –Maker (CODM) as defined by IND AS-108 Operating Segments. The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The following is analysis of revenue and results from operation by reportable segment:- (₹ in Lakhs)

S.No.	Particulars	Current Year	Previous Year
<b>1</b>	<b>Segment Revenue</b>		
	a) Sugar	193922.76	181674.63
	b) Cogeneration	11090.42	11240.67
	c) Distillery	29754.14	16009.98
	<b>Total</b>	<b>234767.32</b>	208925.28
	Less: Inter Segment Revenue	31332.73	27066.25
	Net Segment Revenue	203433.59	181859.03
<b>2</b>	<b>Segment Results - Profit before Tax and Finance Cost and Exceptional Items</b>		
	a) Sugar	18947.01	14926.01
	b) Cogeneration	3321.89	3812.63
	c) Distillery	5374.54	3085.88
	<b>Total</b>	<b>27644.44</b>	21824.52

### Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

	Add/Less: i) Finance Cost	<b>7492.45</b>	8611.41
	ii) Other Un-allocable Expenses net off	<b>2437.88</b>	2214.18
	<b>Profit before Tax</b>	<b>17714.11</b>	10998.93
<b>3</b>	<b>Segment Assets</b>		
	a) Sugar	<b>116827.71</b>	137375.15
	b) Cogeneration	<b>8254.35</b>	9690.31
	c) Distillery	<b>30928.30</b>	29627.83
	d) Un allocable	<b>983.04</b>	1326.00
	<b>Total Assets</b>	<b>156993.40</b>	178019.29
<b>4</b>	<b>Segment Liabilities</b>		
	a) Sugar	<b>33223.95</b>	49418.18
	b) Cogeneration	<b>1.60</b>	17.82
	c) Distillery	<b>772.68</b>	1461.09
	d) Un allocable	<b>950.32</b>	837.63
	<b>Total Liabilities</b>	<b>34948.55</b>	51734.73
<b>5</b>	<b>Capital Expenditure</b>		
	a) Sugar	<b>1195.62</b>	161.81
	b) Cogeneration	<b>102.75</b>	-
	c) Distillery	<b>2119.09</b>	9011.57
	d) Un allocable	<b>118.32</b>	5.51
	<b>Total Capital Expenditure</b>	<b>3535.78</b>	9178.89
<b>6</b>	<b>Depreciation and amortization</b>		
	a) Sugar	<b>2045.75</b>	1957.25
	b) Cogeneration	<b>327.16</b>	309.28
	c) Distillery	<b>879.59</b>	519.51
	d) Un allocable	<b>68.49</b>	66.08
	<b>Total Depreciation and Amortization</b>	<b>3320.99</b>	2852.12

#### n. Employee Benefits

As per Indian Accounting Standard-19 "Employees Benefits" the disclosures of employees benefits are as follows:

##### Defined Contribution Plan

Employee benefits in the form of provident fund are considered as defined contribution plan. The contribution to the respective fund are made in accordance with the relevant statute and are recognized as expense when employees have rendered service entitling them to the contribution, the contribution to defined contribution plan, recognized as expense in the Statement of Profit and Loss are as under: (₹ In lakhs)

Particulars	Current Year	Previous Year
Employer's contribution to provident fund	<b>74.69</b>	63.17
Employer's contribution to pension fund	<b>161.27</b>	134.91
Other administrative expenses	<b>18.24</b>	15.99
<b>Total</b>	<b>254.20</b>	214.07

##### 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 service is entitled to specific benefit. The gratuity plan provides a lump sum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### Detail of unfunded post retirement Defined Benefit obligations are as follows:

Employee benefits in respect of gratuity and leave encashment are based on actuarial valuation as on 31<sup>st</sup> March, 2022. The details are given below: (₹ In lakhs)

Particulars	Gratuity Unfunded	Leave Encashment Unfunded
<b>A) Change in the Present Value of obligation</b>		
a) Present Value of obligation as at 1 <sup>st</sup> April	1348.03 (1156.30)	323.60 (290.61)
(b) Interest Cost	91.67 (78.63)	22.01 (19.76)
(c) Current Service Cost	127.55 (124.63)	42.04 (47.01)
(d) Benefits Paid	(44.31) (-34.30)	(21.27) (-17.50)
(e) Actuarial Loss/(Gain)	(39.47) (22.77)	(34.38) (-16.27)
(f) Present Value of Obligation as at 31 <sup>st</sup> March	1483.47 (1348.03)	332.00 (323.61)
Current Liability	171.75 (157.88)	62.14 (62.01)
Non - Current Liability	1311.72 (1190.14)	269.86 (261.60)
<b>(B) Amount recognized in Balance Sheet (A-B)</b>	1483.46 (1348.03)	332.00 (323.61)
<b>(C) Expenses recognized in the Profit &amp; Loss Account</b>		
(a) Current Service Cost	127.55 (124.63)	42.04 (47.01)
(b) Interest Cost	91.67 (78.63)	22.01 (19.76)
<b>(D) Expenses recognized in Other Comprehensive Income</b>		
(a) Actuarial Loss/(Gain)	(39.47) (22.77)	(34.38) (-16.27)
(b) Net Cost	179.75 (226.03)	29.67 (50.50)
<b>Actuarial Assumptions</b>		
(a) Discount Rate		7.18%
(b) Rate of escalation in Salary (Per Annum)		5.50%
(c) Mortality Table		100% of IALM (2012 - 14)
(d) Retirement Age (Years)		58

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

**o. Related Party Disclosures:-**

The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below:

**(i) Parties where control exists** **NIL**

**(ii) Other related parties where transaction have taken place during the year**

**a) Key Management Personnel (KMP):**

Sh. Raj Kumar Adlakha	- Managing Director (MD)
Sh. Shankar Lal Sharma	- Executive Director
Sh. G.Ramarathnam	- Chief-Legal & Corporate affairs & Co. Secretary
Sh. Sanjay Bhandari	- Chief Financial Officer
Sh. Rajesh Garg	- Joint Co. Secretary & Compliance officer
Sh. Gurbachan Singh Matta	- Non-Executive Director
Sh. Narander Kumar Sawhney	- Independent Director
Sh. Jasbir Singh	- Independent Director
Smt. Rutuja Rajendra More	- Independent Director

**Close Member of Key Management Personnel and their Relationship:**

- Smt. Amita Adlakha (Wife of MD)

**b) Enterprises where Significant Influence exists:**

- Uttam Industrial Engineering Private Limited
- Lipi Boilers Pvt. Ltd.
- The Standard Type Foundry Pvt. Ltd.
- Uttam Sucrotech Limited
- Shubham Sugars Limited
- Uttam Adlakha & Sons Holdings Pvt. Ltd.
- Adharshila Capital Services Ltd.
- Uttamenergy Ltd.
- Uttam Housinginfra Limited
- Uttam Sunna Charitable Trust
- Uttam Sucrotech International (P) Limited
- Uttam Foods & Spices Pvt. Ltd.
- Uttam Properties P. Ltd.
- Sekhri Finance & Investment (P) Ltd.
- Uttam Beverages Pvt. Ltd.
- Uttamenergy Philanthropic Foundation

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### c. Details of Transactions with the above related parties in the ordinary course of business: -

Name of related parties	Nature of Transactions	Amount of Transactions (₹ in Lakhs)		Outstanding Balances (₹ in Lakhs)		
		Year ended 31.03.2022	Year ended 31.03.2021		As at 31.03.2022	As at 31.03.2021
<b>Key Management Personnel (KMP)</b>						
Raj Kumar Adlakha	Remuneration, Commission & Perquisites	<b>612.96</b>	533.79	Remuneration Payable	<b>19.24</b>	9.99
	Lease Rent	<b>66.00</b>	41.50	Lease Rent	<b>5.58</b>	4.83
				Security Deposit given	<b>3.75</b>	3.75
Shankar Lal Sharma	Remuneration & Perquisites	<b>71.42</b>	14.34	Remuneration Payable	<b>6.46</b>	3.96
G.Ramarathnam	Remuneration & Perquisites	<b>37.32</b>	35.76	Remuneration Payable	<b>2.44</b>	2.51
Gurbachan Singh Matta	Remuneration including Sitting Fees	<b>13.75</b>	1.40	Remuneration Payable	<b>0.90</b>	-
Narendra Kumar Sawhney	Remuneration including Sitting Fees	<b>13.75</b>	1.40	Remuneration Payable	<b>0.90</b>	-
Jasbir Singh	Remuneration including Sitting Fees	<b>13.75</b>	0.70	Remuneration Payable	<b>0.90</b>	-
Rutuja Rajendra More	Remuneration including Sitting Fees	<b>13.25</b>	1.00	Remuneration Payable	<b>0.90</b>	-
Rajesh Garg	Remuneration & Perquisites	<b>35.18</b>	7.74	Remuneration Payable	<b>2.33</b>	2.11
Sanjay Bhandari	Remuneration & Perquisites	<b>65.64</b>	59.30	Advance Salary	<b>3.69</b>	5.07
<b>Relative of KMP</b>						
Amita Adlakha	Office Rent	<b>10.62</b>	10.62	Office Rent	<b>9.71</b>	0.99
	Professional Fees	<b>6.70</b>	-	Security Deposit given	<b>3.60</b>	3.60
Uttam Sucrotech Ltd.	Redemption of Preference Shares	-	1361.32			
	Guarantee satisfied / received (Net)	<b>(8441.36)</b>	(13918.31)	Guarantee	<b>13077.51</b>	21518.87
Uttam Sucrotech International (P) Ltd.	Receiving of Services (Machinery)	<b>5.79</b>	28.99	Receivable against Sale	-	2.56
	Purchase of Fixed Assets	<b>323.32</b>	292.61	Creditors	<b>47.24</b>	0.49
	Sale of Sugar / Sanitizer / Parts	<b>24.63</b>	2.59	Capital Advances	-	188.20
Uttam Industrial Engg. (P) Ltd.	Sale of Sugar / Sanitizer	<b>3.86</b>	4.09	Receivable against Sale	<b>0.03</b>	0.15
	Receiving of Services (Machinery)	<b>81.48</b>	38.78	Creditors	-	0.01



Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

	Suppliers Advance	<b>40.00</b>	-	Advance for Goods/Services	<b>40.00</b>	-
	Redemption of Preference Shares	<b>1550.00</b>	-	Unsecured Loan	<b>27.31</b>	27.31
	Interest on Unsecured Loan	<b>2.73</b>	2.73	Interest for Unsecured Loan	<b>22.07</b>	19.61
	Guarantee satisfied / received (Net)	<b>(8441.36)</b>	(13918.31)	Guarantee	<b>13077.51</b>	21518.87
The Standard Type Foundry (P) Ltd.	Purchase of Fixed Assets	<b>138.75</b>	43.26	Creditors	<b>49.76</b>	70.05
	Receiving of Services (Machinery & Vehicles)	<b>54.29</b>	29.71			
	Sugar/Sanitizer Sales made	<b>6.24</b>	2.69			
Lipi Boilers Pvt. Ltd.	Purchase of Assets	<b>33.50</b>	-	Capital Advances	-	49.61
	Capital Advance received back	<b>16.11</b>	-			
	Redemption of Preference Shares	<b>375.00</b>	-			
	Guarantee satisfied / received (Net)	<b>(9205.85)</b>	(15874.20)	Guarantee	<b>13077.51</b>	22283.36
Shubham Sugars Ltd.	Purchase of Agriculture Products	<b>39.65</b>	69.50	Receivable against sale	<b>20.19</b>	3.76
	Investment in Pref. Shares	-	300.00			
	Redemption of Preference Shares Capital	<b>632.30</b>	240.00			-
	Redemption of Preference Shares (Investment)	<b>300.00</b>	-			
	Sale of Bio Compost	<b>16.07</b>	4.52			-
Uttam Adlakha & Sons Holding Pvt. Ltd.	Guarantee satisfied / received (Net)	<b>2.65</b>	(13425.79)	Guarantee	<b>21521.52</b>	21518.87
	Redemption of Preference Shares	<b>25.00</b>	-			-
Adharshila Capital Services Ltd.	Professional Fees	<b>5.00</b>	10.00		-	-
Uttamenergy Ltd.	Purchase of Fixed Assets	<b>8.21</b>	2479.22	Creditors	-	267.43
	Receiving of Services (Machinery)	<b>88.50</b>	-			-

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

	Sales of Assets	<b>141.10</b>	744.78	Receivable against sale of assets	<b>2.05</b>	490.78
	Sale of Sugar	-	0.84			
Uttamenergy Philanthropic Foundation	Sale of Sanitizer	-	3.24			
Uttam Housinginfra Ltd.	Guarantee satisfied / received (Net)	<b>(8441.36)</b>	(13900.35)	Guarantee	<b>13077.51</b>	21518.87
Uttam Sunna Charitable Trust	Sales of Sugar/ Sanitizer	<b>0.32</b>	0.48		-	-
	Purchase of fixed assets	-	8.60		-	-
Uttam Foods & Spices Pvt. Ltd.	Sale of Sugar/ Sanitizer etc	<b>7.26</b>	-	Receivable against sale	<b>23.24</b>	-
	Sale of Fixed Assets	<b>22.98</b>	-		-	-
	Purchase of Spices	<b>4.55</b>	-			
Uttam Properties P. Ltd.	Redemption of Preference Shares	<b>600.00</b>	-			
Sekhri Finance & Investment (P) Ltd.	Redemption of Preference Shares	<b>625.00</b>	-			
Uttam Beverages Pvt. Ltd.	Advance Received against sale of Land	-	20.00	Advance Received against sale of Land	-	20.00
	Sale of Land	<b>210.00</b>	-	Receivable against sale of Land	<b>190.00</b>	-

## p. Auditors' Remuneration: (₹ in Lakhs)

Particulars	Current Year	Previous Year
(a) As Statutory Auditors	<b>12.00</b>	12.00
(b) For other Matters	<b>1.85</b>	3.26
<b>Total</b>	<b>13.85</b>	15.26

## q. Expenditure on Corporate Social Responsibility (CSR) activities: (₹ in Lakhs)

## (i) Details of CSR Expenditure:

Sl. No.	Particulars	Current Year	Previous Year
i)	Amount required to be spent by the company during the year	<b>189.10</b>	127.58
ii)	Amount of expenditure incurred	<b>235.13</b>	135.53
iii)	Shortfall at the end of the year	-	-
iv)	Total of previous year shortfall	-	-
v)	Reason for shortfall	-	-
vi)	Nature of CSR activities	As Given below (ii)	As Given below (ii)
vii)	Details of related party transactions e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

(ii) The various heads under which the CSR expenditure were incurred in detail as follows :

Sl. No.	Relevant Clause of Schedule VII to the Act	Description of CSR activities	Current Year	Previous Year
a)	Clause (i)	Eradicating hunger, poverty and malnutrition, promoting health care & providing safe drinking water	<b>80.67</b>	66.56
b)	Clause (ii)	Promoting education, including special education and employment enhancing vocational training and livelihood enhancement projects	<b>1.15</b>	-
c)	Clause (vii)	To promote rural sports	-	1.00
d)	Clause (x)	Rural Development Projects	153.31	67.97
<b>Total</b>			<b>235.13</b>	<b>135.53</b>

The excess of requirements spend on CSR activities will be set off against the requirements in succeeding financial year in accordance with the provisions to sub section (5) of section 135 of the Companies Act, 2013.

**r. Earnings per share (EPS)**

Particulars	Current Year	Previous Year
(a) Profit for the year attributable to the equity shareholders (₹ in lakhs)	<b>13492.02</b>	5975.77
(b) Weighted average number of equity shares outstanding	<b>38138120</b>	38138120
(i) <u>Basic:</u> Weighted average number of equity shares at the end		
(c) ii) <u>Diluted</u> Weighted average number of shares as in b(i)	<b>38138120</b>	38138120
(d) Paid up value of share	₹10/-	₹10/-
(e) Basic Earnings per share (₹(a/bi))	<b>35.38</b>	15.67
(f) Diluted Earnings per share (₹) (a/bii)	<b>35.38</b>	15.67

**s. Foreign Currency Inflow & outflow**

(₹ in Lakhs)

**i. Expenditures: NIL**

**ii. Earnings:**

Export Sales (F.O.B. Value)	<b>9.81</b>	34.24
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**t.** The realization of deferred tax assets in respect of unabsorbed depreciation is depended on the generation of future taxable income. Based on the profit during the year and in immediate preceding year, increase in sugar recovery supported by cane development activities, distillery working and projections of future taxable income over the period in which the deferred tax assets are deductible, management believes that the Company will realize the deferred tax assets in respect of unabsorbed depreciation.

**u.** The Company has continuously monitored considered the possible effects that may result for the pandemic relating to COVID 19 on its business operations and financial position using internal & external factors known to the management up to the approval of financial statement. There is no significant impact on the carrying amount of its assets and financial result as on 31<sup>st</sup> March, 2022 and management concludes that no material uncertainty exists about the company's ability to continue as a going concern and accordingly financial statements have been prepared using going concern assumption.

The impact of COVID-19 on the company's financial statements may differ from that estimated as at the date of approval of these financial statements due to uncertainty associated with COVID-19 nature and duration. The company will continue to monitor any material change in future economic conditions.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### Note No. 35 : Financial Risk Framework

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include Loans, trade and other receivables, cash and cash equivalents.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the company's financial risks activities are governed by appropriate policies and risk objectives. All derivative activities for risk management purpose are carried out by teams that have appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized 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 price. Market risk comprises three types of risk interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

##### 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 borrowing obligations with floating interest rates.

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Variable rate Borrowings	20593.93	33486.77
Fixed rate Borrowings	43356.77	48461.06

##### Sensitivity

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit and loss by the amount shown below. This analysis assumes all other variables held constant.

Particulars	Increase /decrease in Basic Points		Impact on Profit before Tax (₹ in Lakhs)		Impact on Equity (₹ in Lakhs)	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Increase in Basis Point	50	50	102.97	167.43	102.97	167.43
Decrease in Basis Point	50	50	(102.97)	(167.43)	(102.97)	(167.43)

##### 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, the company's exposure to the risk of changes in foreign exchange rates relates primarily to the exports made by the company which are made during the year however same is very negligible as compare to total turnover.

##### Sensitivity

1% increase or decrease in foreign exchange rates will have no material impact on profit.

##### iii) Other risk

###### a) Regulatory risk

Sugar industry is regulated both by central government as well as by the state government, Central and state governments policies and factors such as State Advised Price (SAP) and fair and Remunerative Price (FRP) of sugar cane affects the sugar industry and the company's operations and profitability. Distillery business is also dependent on the Government policy as the price of ethanol decided by the Government. Similarly sugar prices are also effected by the Government Policies like restriction on sale, import of sugar, export of sugar and import duty / export duty detrement of sugar.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

The regulatory risks listed above are Government policy driven and are beyond the control of the company and can't be alleviated unless the industry is decontrolled. Various representation through the body of industry like ISMA, UPSMA and UPDA submitted to Government to come out solutions regarding above risks.

Power business is also dependent on the regulations prescribed by Central/State regulatory commissions. They fix power purchase rates and other guide lines for supply based on cost of bagasse and other inputs.

### b) Commodity price risk

Sugar Prices in domestic and international markets depends primarily on the supply and demand situation. Fluctuation in demand and supply arise on account of the change in the availability and price of sugar variation in the production capacity of the competitor's availability of substitutes for the sugar products and international demand and supply position. The company has mitigated this risk by adding more value added products by diversifying into co-generation and distillation, thereby utilizing the by-products. Similarly, in sugar product also the company's products are diversifying in specialty sugar segments like brown sugar, sachet, pharma sugar, icing sugar, liquid sugar etc.

### B. Credit Risk

Credit risk is the risk that counter party will default on its obligations under a Contractual arrangement leading to a financial loss. The company's sugar sales are mostly on advance payment basis. Power and ethanol are sold to state government companies and petroleum companies; thereby the credit default risk is significantly mitigated. Company has also taken advances and security deposits from its customers / agents, which mitigate the credit risk to an extent. Financial assets are written off when there is no reasonable expectation of recovery, however, the company continues to attempt to recover the receivables. Where recoveries are made, these are recognized in the statement of profit and loss.

The ageing of trade receivable is given below:

	Particulars	Up to 6 Months	More than 6 Months	More than one year
a)	As at 31.03.2022	5797.14	302.17	6.95
b)	Gross carrying Amount			
b)	Expected Credit Loss @			
a)	As at 31.03.2021	4825.67	3.67	9.97
	Gross carrying Amount			(**)
b)	Expected Credit Loss @			

(\*\*) includes provision for doubtful debts of ₹9.97 lakhs.

Following table summarizes the change in loss allowances measured using life time expected credit loss model. No significant changes in the estimation techniques or assumption were made during the period.

Particulars	ECL for Trade Receivables
31.03.2022	
Provision /Reversal during the year	-
31.03.2021	
Provision /Reversal during the year	-

### Balances with Banks – Other Financial Assets

Credit risk from balances with banks is managed in accordance with Company's policy. Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which term deposits are maintained. Generally, term deposits are maintained with banks with which Company has also availed borrowings.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 is the carrying amounts as stated under Note No. 11.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

### C. Liquidity risk

#### i. Liquidity Risk Management

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Company's objective is to maintain optimum levels of liquidity to meet its cash and its collateral requirements. The company's Management is responsible for liquidity funding as well as settlement. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

#### ii. Maturities of financial liabilities

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

##### Non derivative financial instruments

Particulars	As at 31.03.2022 Carrying Amount	On Demand	Less than One year	More than one year and less than three years	More than three years	Total
Borrowings	64429.11	47926.98	7813.21	8688.92	-	64429.11
Trade payable	29571.32		29571.32			29571.32
Other financial Liabilities	1369.42		1369.42			1369.42

Particulars	As at 31.03.2021 Carrying Amount	On Demand	Less than One year	More than one year and less than three years	More than three years	Total
Borrowings	82399.98	51367.25	13315.73	15273.28	2443.71	82399.98
Trade payable	45394.46		45394.46			45394.46
Other financial Liabilities	2155.20		2155.20			2155.20

#### iii. Financial Arrangements

The Company has following undrawn borrowing facilities at the end of reporting period.

Particulars	31.3.2022	31.3.2021
Undrawn Borrowing Facilities	18280.80	13314.26

### Note No. 36 : Capital Management

#### a) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholder of the Company. The Primary objective of capital management is to maximize shareholder value and also to maintain an optimum capital structure and to safeguard its ability to continue at a going concern.

The Company's Capital management objectives are to maintain equity including all reserve to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholder value.

The Company manages its capital structure and makes adjustments in the amount of dividends return on capital to shareholders issue new shares or sell assets to reduce debts.

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

The company monitors capital on the basis of following gearing ratio:-

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Long Term Debts (Including Unsecured Loans)	17158.81	31689.40
Cash & Bank balances	850.01	501.10
Net Debts (i)	16308.80	31188.30
Total Equity (ii)	46277.23	33795.13
Net debts / Equity Ratio (i /ii)	0.35	0.92

Debts excluding cash credits limits from bank.

### b) Loan Covenants:

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowing that define capital structure requirements. The company has complied with these covenants and there have been no breaches in the financial covenants of any interest – bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021.

### Note No. 37: Other disclosures

- a. The Company has on overall basis utilized the borrowings from banks for the specific purpose for which they were taken from banks.
- b. The Company has during the year sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks on the basis of security of current assets and based on our examination and verification the quarterly returns or statement filed by the company they are in agreement to books of account except value of inventory of pledged sugar provided to bank which is valued in accordance with terms and condition of sanction letter at average Net realizable value whereas in the books of account same has been in considered at lower of Cost or Net realizable value in accordance with the Indian Accounting Standard.

The detail of difference in value is here under:-

(₹ in Lakhs)

Quarter	Value of sugar as per Books at lower of cost or Net realizable value	Value of sugar as per Stock Statement at Realizable value	Difference
1 <sup>st</sup> Quarter ended 30.06.2021	75398	83762	8364
2 <sup>nd</sup> Quarter ended 30.09.2021	41942	47217	5275
3 <sup>rd</sup> Quarter ended 31.12.2021	38524	42303	3779
4 <sup>th</sup> Quarter ended 31.03.2022	69548	76867	7319

However, company borrowing is not more than value as per books at lower of cost or net realizable value.

- c. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender except in the following case: -

(₹ in Lakhs)

Nature of Borrowings, including debt securities	Name of Lenders	Amount not paid on due date	Whether Principal or Interest	No. of days delay or unpaid	Remarks, if any
Term Loan (Unsecured)	Uttarakhand State Government	656.68	Principal	Continuously unpaid since January 2011	An application for waiver off such loan is pending with the Government of Uttarakhand.
		451.10 (Interest from 28.01.2005 to 31.03.2022)	Interest	Continuously unpaid since 31.03.2005	

## Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

- d. The Company has not been declared willful defaulter by bank or financial institution or any other lender.
- e. The company does not have any transactions or balances with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year and previous year.
- f. During the year, there are no instances of any registration, modification or satisfaction of charges which are pending for registration with Registrar of Companies beyond the statutory period.
- g. The Company have no layer of companies, Company is in compliance with the relevant provisions of the Companies Act, 2013 with respect to the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- h. The Company has not traded or invested in any crypto currency or virtual currency during the year and previous year.
- i. The Company have not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:-
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- j. The Company have not received any fund from any other person(s) or entity (ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the group shall: -
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - Provide any guarantees, security or the like on behalf of the ultimate beneficiaries.
- k. The Company does not have any transaction not recorded on books of accounts that has been surrendered or disclosed as income during the year and previous year in the tax assessments under the income Tax Act, 1961.
- l. Key Financial Ratios is as under:-

Sl. No.	Particulars	Method of Calculations	2021-22	2020-21	% Change	Reason of Change
1	Current Ratio (In times)	Current Assets / Current Liabilities	<b>0.99</b>	<b>0.95</b>	4.21%	NA
2	Debt Equity Ratio (In times)	(Long Term Debts + Current Maturity of Term Loans + Cash Credit Limit + Leased Liabilities + Preference Share Capital) / Shareholder's Equity	<b>1.44</b>	<b>2.56</b>	-43.75%	Due to repayment of Term Loans and lower utilization of the Cash Credit Limit and increase in net profit.
3	Debt Service Coverage Ratio (In times)	(Profit after Tax + Depreciation+ Interest on Term Loans + Non-cash Operating expenses and income) / (Term Loan Paid + Preference Share Capital + Interest on Term Loans)	<b>0.78</b>	<b>0.75</b>	4.00%	NA



### Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2022

4	Return on Equity Ratio (%)	Net Profit after Taxes / (opening Shareholder's equity + closing Shareholder's equity) / 2 = Average Shareholder's Equity	<b>33.70%</b>	<b>19.18%</b>	75.70%	Due to increase in Net Profit
5	Inventory Turnover Ratio (In times)	Revenue from Operations / (Opening Inventory + Closing Inventory) / 2 = Average Inventory	<b>2.35</b>	<b>1.96</b>	19.90%	NA
6	Trade Receivable Turnover Ratio (In times)	Revenue from Operations / (Opening Debtors + Closing Debtors) / 2 = Average Debtors	<b>37.21</b>	<b>36.85</b>	0.98%	NA
7	Trade Payable Turnover Ratio (in times)	Purchases / (opening Creditors + Closing Creditors) / 2 = Average Trade Payable	<b>3.92</b>	<b>2.98</b>	31.54%	On account of reduction in trade creditors
8	Net Capital Turnover Ratio (In times)	Revenue from Operations / Working Capital (CA-CL)	<b>-336.21</b>	<b>-29.26</b>	1049.04%	Due to improvement of net working capital
9	Net Profit Ratio (%)	Net Profit / Total Income	<b>6.58%</b>	<b>3.27%</b>	101.22%	Due to increase in Net Profit
10	Return on Capital Employed (%)	Earnings before Interest and Taxes / Capital Employed	<b>20.65%</b>	<b>15.53%</b>	32.97%	Due to increase in Net Profit
11	Return on Investment (%)	Net Income (PAT) / Cost of investment (total assets)	<b>8.59%</b>	<b>3.36%</b>	155.65%	Due to increase in profit during the year

#### Note No. 38 :

#### Financial instruments-Accounting, Classification and fair Value measurements

##### A. Financial instruments by category

(₹ in Lakhs)

Particulars	Refer Note No.	Total Fair Value	Cost	Deemed Cost	Carrying Value			Total
					Amortized Cost	FVTOCI	FVTPL	
<b>As at 31<sup>st</sup> March, 2022</b>								
<b>Financial assets</b>								
(i) Trade and other receivable	<b>5</b>	6,106.26			6,106.26			6,106.26
(ii) cash and cash equivalents	<b>11</b>	850.01			850.01			850.01

Particulars	Refer Note No.	Total Fair Value	Cost	Deemed Cost	Carrying Value			Total
					Amortized Cost	FVTOCI	FVTPL	
(iii) Bank balance other than cash and cash equivalents	12	308.01			308.01			308.01
(iv) Other financial assets	6	757.48			757.48			757.48
<b>Total</b>		<b>8,021.76</b>	-	-	<b>8,021.76</b>	-	-	<b>8,021.76</b>
<b>Financial liabilities</b>								
(i) Borrowings	17	63,978.01			63,978.01			63,978.01
(ii) Trade and others payable	21	29,571.32			29,571.32			29,571.32
(iii) Other financial liabilities	18	3,804.49			3,804.49			3,804.49
<b>Total</b>		<b>97,353.82</b>	-	-	<b>97,353.82</b>	-	-	<b>97,353.82</b>
<b>As at 31<sup>st</sup> March 2021</b>								
<b>Financial assets</b>								
(i) Trade and other receivable	5	4,829.34			4,829.34			4,829.34
(ii) cash and cash equivalents	11	501.10			501.10			501.10
(iii) Bank balance other than cash and cash equivalents	12	393.17			393.17			393.17
(iv) Other financial assets	6	9,288.91			9,288.91			9,288.91
<b>Total</b>		<b>15,012.52</b>	-	-	<b>15,012.52</b>	-	-	<b>15,012.52</b>
<b>Financial liabilities</b>								
(i) Borrowings	17	81,975.13			81,975.13			81,975.13
(ii) Trade and others payable	21	45,394.46			45,394.46			45,394.46
(iii) Other financial liabilities	18	6,804.25			6,804.25			6,804.25
<b>Total</b>		<b>1,34,173.84</b>	-	-	<b>1,34,173.84</b>	-	-	<b>1,34,173.84</b>

**Note:- Fair Value hierarchy**

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could not be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and 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. 39 :**

The previous year figures have been reworked, regrouped, rearranged and reclassified wherever necessary. The figures are rounded off to nearest rupee in lakhs up to two decimals.

**AS PER OUR REPORT OF EVEN DATE**

**Firm Registration No.021648C**

**For SSVS & Co.**

Chartered Accountants

**(FCA VIPUL SHARMA)**

Partner

Membership No.074437

**Place :** Noida

**Date :** 16<sup>th</sup> May, 2022

**for and on behalf of Board of Directors**

**(RAJ KUMAR ADLAKHA)**

Managing Director

**(S. L. SHARMA)**

Executive Director

**(SANJAY BHANDARI)**

Chief Financial Officer

**(G.RAMARATHNAM)**

Chief-Legal and Corporate  
Affairs & Company Secretary







# Uttam Sugar Mills Limited

 **FSSC 22000**  
CERTIFIED COMPANY WITH  
SUCROSE I.P. CERTIFICATION



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**Web:** [www.uttamsugar.in](http://www.uttamsugar.in), [www.uttamgroup.in](http://www.uttamgroup.in)

**Registered Office:**  
Village Libberheri, Tehsil Roorkee, Distt. Haridwar, Uttrakhand, India.

**Works:**

- Unit-I: Village Libberheri, Tehsil Roorkee, Distt. Haridwar, Uttrakhand, India.
- Unit-II: Village Barkatpur, Tehsil Naziabad, Distt. Bijnore, Uttar Pradesh, India.
- Unit-III: Village Khaikheri Tehsil & Distt.-Muzaffarnagar, Uttar Pradesh, India.
- Unit-IV: Village Shermau Tehsil Nakur, Distt. Saharanpur, Uttar Pradesh, India

[www.uttamsugar.in](http://www.uttamsugar.in)