THE UGAR SUGAR WORKS LIMITED.

Works * Ugar Khurd – 591 316, Dist.Belgaum, Karnataka
E-mail * helpdesk@ugarsugar.com
Regd. Office * Mahaveernagar, Sangli – 416 416, Maharashtra.
E-mail * usw.sangli@ugarsugar.com.

Phone * -91 8339 274000 (5 Lines) Fax * -918339 272232
Website * www.ugarsugar.com
Phone * -91 233 2623717, 2623716 Fax * -91 233 2623617
TIN No. * 29520007001, PAN-AAACT7580R
GSTIN * 29AAACT7580R1ZD. ECC No.AAACT7580 RXM001.
(CIN – L15421PN1939PLC006738)

Sec/

Date: 20/08/2022

To,
The Executive Director,
Bombay Stock Exchange Ltd.,
P J Towers, Dalal Street,
Mumbai.
Tel No: (022) 22721234
Fax No: (022) 22721278/22722039
Stock Code: 530363

To,
Corporate Communications
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051 Tel No: (022) 26598148 Fax No: (022) 26598120
Stock Code: UGARSUGAR

Sub: Submission of Annual Report 2021-22 (Including Notice of AGM)

Ref: Disclosure under SEBI (LODR) Regulations, 2015

Please find enclosed herewith the following documents being Sent to the Shareholders in the Permitted mode:-

1. Notice of 82nd Annual General Meeting (AGM) of the Company scheduled to be held on **15th September, 2022 through Video Conference.**

2. Annual Report for Financial year 2021-22.

The above documents are also uploaded on the website of the Company Viz. www.ugarsugar.com

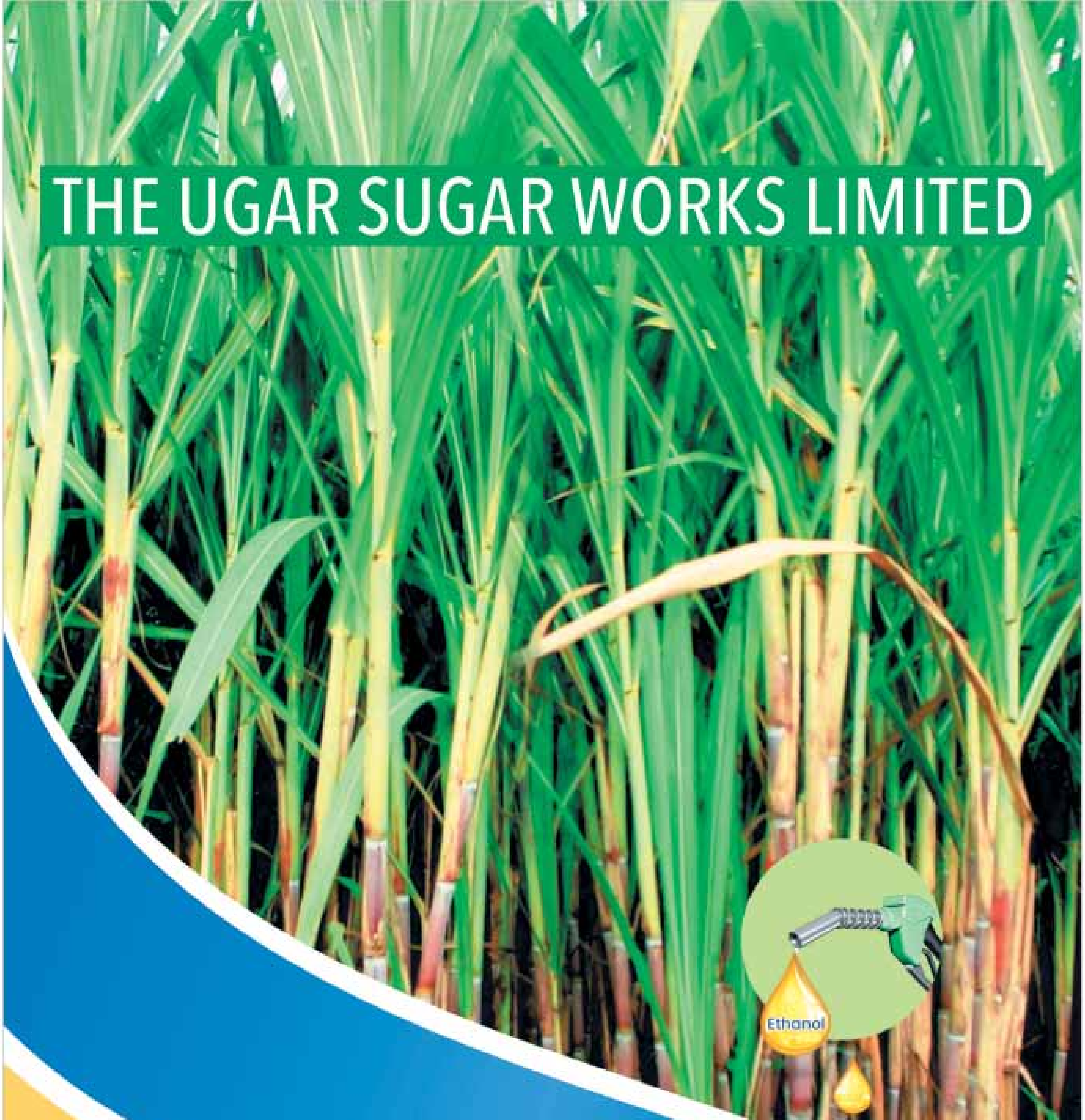
This is for your information and information of investors.

Thanking you,
Yours faithfully,
For The Ugar Sugar Works Ltd.

Tushar V. Deshpande
Company Secretary
(M. No: A45586)

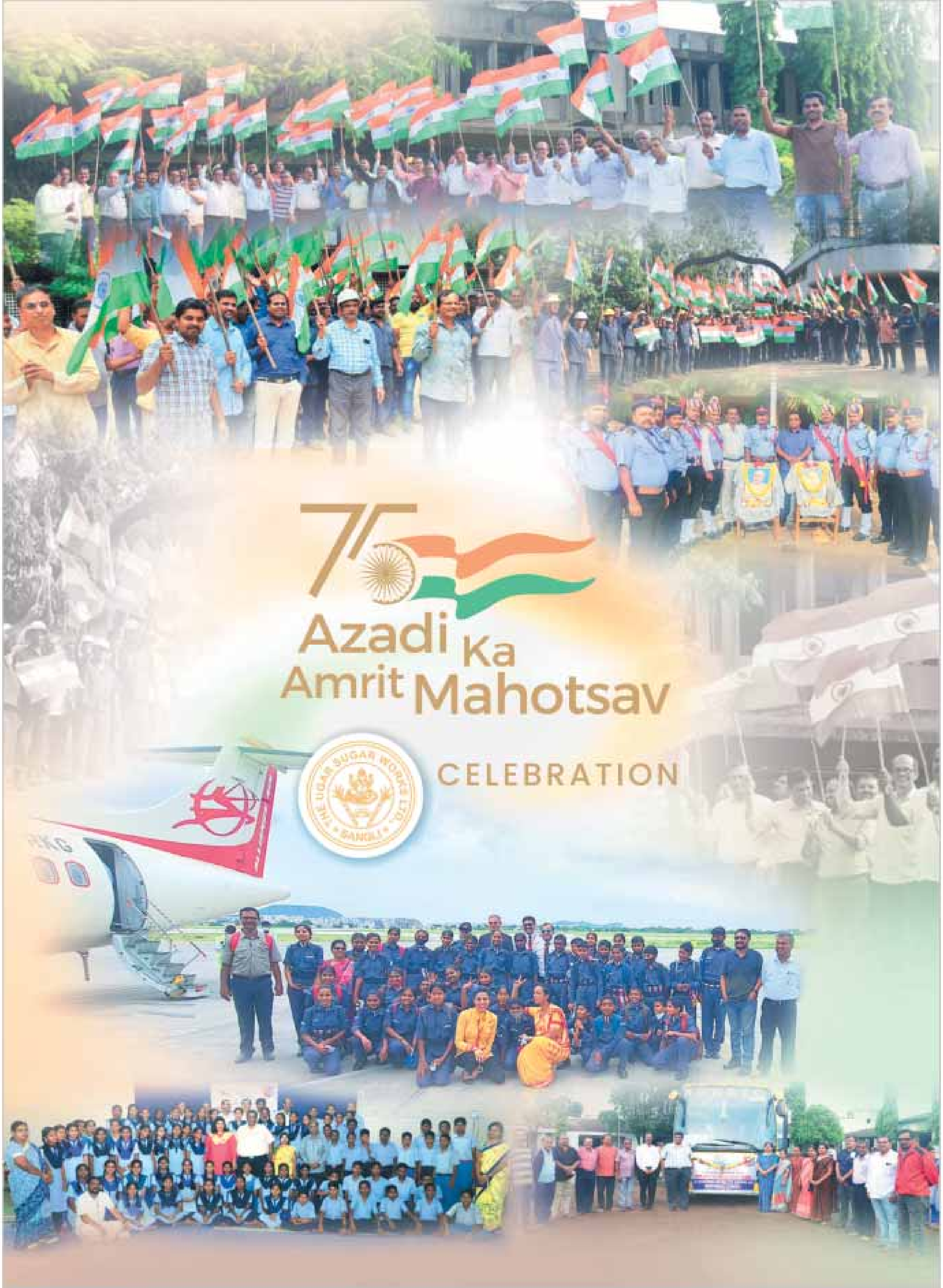
The Ugar Sugar Works Ltd. Regd. Office SANGLI Ugar Khurd

THE UGAR SUGAR WORKS LIMITED



82nd

ANNUAL REPORT 2021 - 22


75
Azadi Ka
Amrit Mahotsav
THE UGAR SUGAR WORKS LTD.
SANGLI
CELEBRATION

" Inauguration of **New Distillery of 155 KLPD** at the hands of Mr. R. V. Shirgaokar Chariman Emeritus, in the valuable presence of Mr. Chandan S. Shirgaokar Managing Director and Directors Mr. P.V. Shirgaokar, Mr. D.B. Shah, Mr. Sachin Shirgaokar, Mr. Sohan Shirgaokar, and Ms. Smitha Shirgaokar, Smt. Radhika Shirgaokar, Ms. Laxmi Shirgaokar, Ms. Geetali Shirgaokar, Ms. Gauri Shirgaokar, Miss. Swara Shirgaokar and all officers of the Ugar Sugar Works Limited."

" **ATAL LAB** opening at the hands of Prof. Narendra Mohan -Director of National Sugar Institute Kanpur in the valuable presence of Mr. Chandan S. Shirgaokar President Shri Hari Vidyalaya Composite High School Ugar Khurd and Managing Director of The Ugar Sugar Works Limited, Mr. Sohan Shirgaokar Director The Ugar Sugar Works Limited, Ms. D. D. Bhosale Madam Head Mistress along with all teaching staff of Shri Hari Vidyalaya Composite High School Ugar Khurd."

THE UGAR SUGAR WORKS LIMITED

CIN : L15421PN1939PLC006738

82nd ANNUAL REPORT 2021-22

Name	Designation
Shri. Rajendra V. Shirgaokar	Chairman Emeritus

BOARD OF DIRECTORS
(As on 23rd May 2022)

Sr. No.	Name	Designation
1	**Mr. Shishir S. Shirgaokar**	Chairman
2	**Mr. Prafulla V. Shirgaokar**	Non-Executive Director
3	**Mr. Rakesh Kapoor**	Independent Director
4	**Mr. V. Balasubramanian** (I.A.S. Retired)	Independent Director
5	**Dr. Mallapa R. Desai**	Independent Director
6	**Mr. Deepchand B. Shah**	Independent Director
7	**Mr. Hari Y. Athawale**	Independent Director
8	**Mr. Shripad S Gangavati**	Independent Director
9	**Mrs. Suneeta S Thakur**	Independent Woman Director
10	**Mr. Sachin R. Shirgaokar**	Non-Executive Director
11	**Mrs. Shilpa Kumar**	Non-Executive Woman Director
12	**Mr. Sohan S. Shirgaokar**	Non-Executive Director
13	**Mr. Niraj S. Shirgaokar**	Managing Director
14	**Mr. Chandan S. Shirgaokar**	Managing Director

Company Secretary & Compliance Officer

Mr. Tushar V Deshpande
Mahaveernagar, Sangli 416 416
Phone: 0233-2623716, 2623717
Fax: 0233-2623617.
Email: usw.sangli@ugarsugar.com

Statutory Auditor

M/s. Kirtane & Pandit LLP
Chartered Accountants
5th Floor, Wing A, Gopal House,
S No.127/1B/1, Plot A1,
Pune – 411029
Phone: 020-67295100
Email:kpca@ kirtanepandit.com

CONTENTS

Registered Office:
Mahaveernagar, Sangli 416 416.
Phone : 0233-2623716, 2623717
Fax : 0233-2623617.
Email: usw.sangli@ugarsugar.com

Registrar & Transfer Agent:
Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai- 400 093
Board No. 022-6268222

Administrative Office:
Ugarkhurd 591 316 (Dist- Belagavi)
Phone: 08339-274000
Fax: 08339-272232

e-mail: helpdesk@ugarsugar.com
website: www.ugarsugar.com

Plants: Ugar Khurd and Malli (Jewargi)

Bankers

Central Bank of India
Bank of Baroda
Union Bank of India
Dombivli Nagari Sahakari Bank Ltd.
Sangli Urban Co-op Bank Ltd.

ANNUAL GENERAL MEETING

Thursday 15th day of September 2022 AT 11.00 a.m.,
through VC/OAVM.

THE UGAR SUGAR WORKS LIMITED

REGD. OFFICE: MAHAVEERNAGAR [WAKHAR BHAG], SANGLI- 416416.

NOTICE

NOTICE is hereby given that the 82nd Annual General Meeting of THE UGAR SUGAR WORKS LIMITED will be held on Thursday the 15th day of September 2022 at 11:00 a.m. through Video Conferencing (VC)/OAVM for which purpose the Registered Office of the Company situated at Mahaveer Nagar, Wakhar Bhag Sangli 416416 shall be deemed as the venue for the Meeting and the proceedings of AGM shall be deemed to be made thereat, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt

   a) The audited Standalone Balance Sheet as on 31st March, 2022 and the Statement of Profit and Loss Account, Cash Flow Statement for the year ended as on that date, and the Report of the Directors, Report on Corporate Governance and Auditors thereon, and

   b) The Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022, together with the Report of the Auditors thereon.

2. To declare dividend.

3. To appoint a Director in place of Mrs. Shilpa Kumar (DIN NO-02404667) who retires by rotation and being eligible offers herself for re-appointment.

4. To appoint a Director in place of Mr. Sohan S. Shirgaokar (DIN NO-00217631) who retires by rotation and being eligible, offers himself for re-appointment.

5. **To appoint Auditors M/s. Kirtane & Pandit, Chartered Accountants for Second Term of Five Years**

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Kirtane & Pandit, Chartered Accountant, (Firm Registration No. 105215W), be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a period of 5 years from the conclusion of this the 82nd Annual General Meeting (AGM) of the Company till the conclusion of the 87th AGM of the Company to be held in the year 2027 to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

Special Business:

6. **Reappointment of Mr. S. S. Gangavati (DIN: 06470675) as an Independent Director of the Company.**

   To consider and if thought fit, to pass, with or without modifications, following resolution as a

   Special Resolution:

   "**RESOLVED THAT,** pursuant to Sections 149 and 152 read with schedule IV and other applicable provisions if any of the Companies Act, 2013 and rules made there under including any statutory modification (s) or re-enactment thereof, and Regulation 17(1A), 17(1C) & 25(2A) and any other applicable provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Mr. S. S. Gangavati (DIN:06470675) who was appointed as an Independent Directors for a period of 3 years and who holds office up to this AGM and being eligible be and is hereby re-appointed as an Independent Director of the Company for 3 years to hold office on the Board of Directors of the company up to AGM to be held in 2025, not liable to retire by rotation.

RESOLVED FURTHER THAT, the Board of Directors and /or Company Secretary be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such Acts deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

7. **Reappointment of Mrs. Suneeta Thakur (DIN: 06864894) as an Independent Director of the Company.**

To consider and if thought fit, to pass, with or without modifications, following resolution as a **Special Resolution:**

"RESOLVED THAT, pursuant to Sections 149 and 152 read with schedule IV and other applicable provisions if any of the Companies Act, 2013 and rules made there under including any statutory modification (s) or re-enactment thereof, and Regulation 17(1A), 17(1C) & 25(2A) and any other applicable provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Mrs. Suneeta Thakur (DIN: 06864894) who was appointed as an Independent Directors for a period of 3 years and who holds office up to this AGM and being eligible be and is hereby re-appointed as an Independent Director of the Company for 3 years to hold office on the Board of Directors of the company up to AGM to be held in 2025, not liable to retire by rotation.

RESOLVED FURTHER THAT, the Board of Directors and /or Company Secretary be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to thisresolution and to do all such Acts deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

8. **To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2023 and to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.**

"RESOLVED THAT, pursuant to the provisions of section 148 of the Companies Act, 2013 and the relevant Rules, M/s Dhananjay V. Joshi & Associates, Practicing Cost Accountant, (Firm Registration No: 000030) who was appointed by the Board of Directors of the Company in their meeting held on 23rd May 2022 as a Cost Auditor to audit the cost records, as may be ordered by the Central Government, on a remuneration of Rs. 2,00,000/- (Rupees Two Lakh only) plus reimbursement of out of pocket expenses plus Taxes as applicable, for the Financial Year 2022-23 be and is hereby ratified."

By order of the Board of Directors,
For **The Ugar Sugar Works Limited,**

Place : Regd. Office: Mahaveer Nagar,
Sangli – 416416.

Tushar V Deshpande
Company Secretary
(M. No. A45586)

Date : 23rd May 2022

NOTES

i. In view of the continuing Covid-19 pandemic, In view of the ongoing COVID-19 pandemic and pursuant to General Circulars No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 20/2020 dated May 5, 2020, No. 02/2021 dated January 13, 2021, No. 21/2021 dated December 14, 2021 and No. 2/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars'), the Company is convening the 82nd AGM through Video Conferencing ('VC') or Other Audio- Visual Means ('OAVM'), without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company.

ii. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

iii. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

iv. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/ Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent through email to the Company at evoting@ugarsugar.com

v. During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act on the website of the Company.

vi. The Register of Members and Share Transfer Books shall remain closed from 5th September 2022 to 15th September 2022 (both days inclusive) for the purpose of AGM and Dividend.

vii. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 (corresponding to Section 205A to Section 205C of the Companies Act, 1956), all unclaimed/unpaid monies by way of dividend transferred to the "Unpaid Dividend Account" of the Company as contemplated under Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956) that remains unclaimed/unencashed for a period of 7 (seven) years from the respective date of such transfer has to be transferred by the Company to "The Investor Education and Protection Fund" (IEPF) being the fund established by the Central Government under Section 125 of the Companies Act, 2013 (corresponding to Section 205C(1) of the Companies Act, 1956) and no claims shall lie against the said Fund or the Company in respect thereof.

The Company has transferred all unpaid/unclaimed dividends upto the year 2012-13 to the Investor Education and Protection Fund.

viii. Pursuant to the provisions of Section 124 and 125 of the Companies Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), all shares on which dividend has not been paid or claimed for seven consecutive years or more has been transferred to IEPF Authority.

The Company has also uploaded full details of such shares due for transfer as well as unclaimed dividends on the website of the Company.

Both the unclaimed dividends and the shares transferred to the IEPF can be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the "Rules". For more details regarding claim of unclaimed/unpaid amount/shares please check http://www.iepf.gov.in/IEPF/refund.html

ix. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 (corresponding to Section 109A of the Companies Act, 1956). Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH. 13 duly filled in to M/s. Big Share Services Pvt. Ltd at the above mentioned address or the Registered Office of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

x. SEBI vide its notification dated June 8, 2018 as amended on November 30, 2018, has stipulated that w.e.f April 01, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form requesting them to demat their physical holdings.

xi. The Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013 (the Act), Special Business Nos. 6 to 8 in the Notice and is annexed hereto and forms part of this Notice.

xii. Permanent Account Number(PAN)

The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members are requested to submit their PAN to their DPs and also change in address or Bank mandate to their respective DPs with whom they are maintaining their demat accounts.

xiii. Incase members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting at evoting@ugarsugar.com so that the information can be made available at the time of the meeting.

xiv. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-22 is also available on the Company's website www.ugarsugar.com; website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com.,www.nseindia.com Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

xv. Those shareholders who have not registered their email address with their depository participant or wish to update a fresh email address may do so by approaching their respective depository participant. Alternatively, by submitting the enclosed E-mail Registration cum- Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.

The Notice along with the Annual Report is also available on the Company's website, viz., www.ugarsugar.com.

Voting through electronic means:

I. In compliance with the provisions of Section 108 of the Companies Act, 2013, (the Act), read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Regulations) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM("remote e-voting") is provided by Link Intime India Pvt. Ltd.

II. The remote e-voting period commences on 12th day of September, 2022 (9:00 a.m. IST) and ends on 14th day of September, 2022 (5:00 p.m. IST). During this period, members' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 5th day of September, 2022 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Pvt. Ltd for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

III. The process and manner for remote e-voting is asunder:

xvi Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

1. Individual Shareholders holding securities in demat mode with NSDL

    1. Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.comeither on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e.LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e.your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, 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 are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.

2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e.LINKINTIME. Click on LINKINTIMEand you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.

4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e.LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

   A. User ID: Shareholder sholding shares in physical form shall provide Event No + Folio Number registered with the Company.

   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

      * Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

      ► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

      ► Click "confirm" (Your password is now generated).

3. Click on 'Login' under 'SHARE HOLDER' tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22- 23058542-43.

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then theshareholdercan use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- o Click on'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholder scan set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No +Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in

- Select the "Company" and 'Event Date' and register with your following details: -

  A. Demat Account No. or Folio No:Enter your 16 digit Demat Account No. or Folio No

  - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
  - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
  - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

  B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

  C. Mobile No.: Enter your mobile number.

  D. Email ID: Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the evoting@ugarsugar.com created for the general meeting.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.

3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.

4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.

5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

As required under section 102 of the Companies Act, 2013 the following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice dated 23rd May 2022 and should be taken as forming part of it.

As per Regulation 17(1A), 17(1C) & 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1st April, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

Item Nos. 06:

Mr. S. S. Gangavati (DIN: 06470675), was appointed as Non-Executive Independent Director of the Company by the member in the AGM held on 14.08.2019 for the period of three years, be and is hereby re-appointed as Non-Executive Independent Director of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under and by the members for further period of 3 years to hold office on the Board of Directors of the company up to AGM to be held in 2025, not liable to retire by rotation.

Mr. S. S. Gangavati, BE Mach., and 2 nd Rank in the HSC Board of Karnataka, Membership of various Sugar Associations, also he has received various Awards and more than 17 Technical Papers was published, having vast experience is proposed for appointment. He retires at ensuing AGM and is eligible for re-appointment as an Independent Director.

Mr. S. S. Gangavati will be appointed as an Independent Director in the AGM for a period of 3 years to meet the criteria of Independent Director. The Company has received notice in writing under the prevision of section 160 of this Act, from a member proposing the candidature of Mr. S. S. Gangavati for the office of the Independent Director, to be appointed as such under the prevision of Section 149 of the Act. Since his appointment as an Independent Director has been recommended by the Nomination and Governance Committee, there is no need to deposit Rs. 100,000 under section 160 of the Act.

In items of Section 164 of the Act, Mr. S. S. Gangavati is not disqualified from being appointed as a Director and has given his consent to act as a Director. Further as per Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations, Mr. S. S. Gangavati submitted a declaration to the Company that he meets the criteria of Independence.

At present, he does not hold directorship in any other Listed Company.

None of the Directors or their relatives except Mr. S.S. Gangavati are in anyway deemed to be concerned or interested financially or other wise in the proposed resolution No.6

The Board of Directors recommended the resolution No. 6 for the members approval as a special resolution.

Item Nos. 07:

Mrs. Suneeta Thakur (DIN: 06470675), was appointed as Non-Executive Independent Director of the Company by the member in the AGM held on 14.08.2019 for the period of three years, be and is hereby re-appointed as Non-Executive Independent Director of the Company under Section 149 and 152 of the Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under and by the members for further period of 3 years to hold office on the Board of Directors of the company up to AGM to be held in 2025, not liable to retire by rotation.

Mrs. Suneeta Thakur, Ex-Deputy Managing Director of Saraswat Bank Ltd., Pune, having vast experience in various areas is proposed for appointment. She retires at ensuing AGM and is eligible for re-appointment as an Independent Director.

Mrs. Suneeta Thakur will be appointed as an Independent Woman Director in the AGM for a period of 3 years to meet the criteria of Independent Director.

The Company has received notice in writing under the prevision of section 160 of this Act, from a member proposing the candidature of Mrs. Suneeta Thakur for the office of the Independent Director, to be appointed as such under the prevision of Section 149 of the Act. Since her appointment as an Independent Director has been recommended by the Nomination and Governance Committee, there is no need to deposit Rs. 100,000 under section 160 of the Act.

In items of Section 164 of the Act, Mrs. Suneeta Thakur is not disqualified from being appointed as a Director and has given her consent to act as a Director. Farther as per Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations, Mrs. Suneeta Thakur submitted a declaration to the Company that she meets the criteria of Independence.

At present, she does not hold directorship in any other Listed Company.

None of the Directors or their relatives except Mrs Suneeta Thakur are in anyway deemed to be concerned or interested financially or other wise in the proposed resolution No.7

The Board of Directors recommended the resolution No. 7 for the members approval as a special resolution.

Item No. 08:

- Approval / ratification of Remuneration to Cost Auditor:

The Audit Committee & the Board of Directors in their meeting held on 23rd May 2022, have approved the appointment of Cost Auditor /s Dhananjay V. Joshi & Associates, Practicing Cost Accountant, (Firm Registration No: 000030), for the Financial Year 2022-23 on a remuneration of Rs. 2.00 Lakh (Rupees Two Lakh only) plus reimbursement of out of pocket expenses plus Taxes as applicable, subject to the ratification by the shareholders in the ensuing annual general meeting. Accordingly, the ratification of the remuneration is proposed for your approval.

Memorandum of Interest:

None of the Directors are deemed to be interested in resolution No. 8

The Board of Directors recommend the resolution for members' approval as an Special Resolution.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT OF NEW /REAPPOINTENT OF INDEPENDENT DIRECOTS IN TERMS OF REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name of the Directors	**Mr. S. S. Gangavati**	**Mrs. Suneeta Thakur,**
DIN	06470675	06470675
Date of Birth	10-12-1944	26-05-1955
Date of appointment/last appointment	14-08-2019	14-08-2019
Expertise in specific functional area	He was Member of various Sugar Associations, also he has received various Awards and more than 17 Technical Papers was published, having vast experience in various area.	Ex-Deputy Managing Director of Saraswat Bank Ltd., Pune, having vast experience in various areas.
Qualification	B. E. Mech	B. Sc. (Microbiology)
Shareholding in the Company (including HUF)	5000	18000
Directorship held in the Public/Private Companies (excluding Section 8 Co & foreign companies)	1. Geriexpert Senior Health Clinic Pvt. ltd	—
Disclosure of Relationship between Director inter-se	No Inter-se relationship being a independent Director	No Inter-se relationship being a independent Director

By order of the Board of Directors,
For **The Ugar Sugar Works Limited,**

Place : Regd. Office: Mahaveer Nagar,
Sangli – 416416.

Mr. Tushar V Deshpande
Company Secretary
(A45586)

Date : 23rd May 2022

DIRECTORS' REPORT

DEAR SHAREHOLDERS,

Your Directors have the pleasure of presenting their 82nd Annual Report together with the Audited Financial Statements for the period ended 31st March 2022.

GENERAL:

All India Production of Sugar for the Season 2021-22 is expected to reach 350 Lakh tones, as compared to the previous year's production of 302 Lakh tones. The Government of India in order to control the falling sugar prices has continued the release mechanism for the sale of Sugar and has also maintained the minimum selling price at Rs.31/- per kg which is likely to be increased to Rs.33/- in the near future.

Our total crushing of sugar cane for the company including both units for the year ending on March 31 2022 was 27.52 Lakh MT and the total bagging was 31.08 Lakh quintals of sugar.

FINANCIAL RESULTS:

The brief financial results of the Company are as shown below:

Particulars	31.03.2022 Rs. in Lakhs	*31.03.2021 Rs. in Lakhs*
Total Revenue	1,30,383.37	*1,12,383.00*
Total Expenditure (excluding Depreciation &Amortization)	1,24,598.49	*1,09,280.25*
Profit before Depreciation &Amortization	5784.89	*3,102.75*
Depreciation & Amortization	1,148.05	*1 ,242.62*
Profit Before Tax / (Loss) & Exceptional items	4,636.84	*1,860.13*
Provision for Tax, (including deferred tax adjustment, short provision for tax) / MAT Credit entitlement	304.00	*155.07*
Profit after Tax / Net Profit / (Loss)	4,332.84	*1,705.06*
Other Comprehensive Income	18.37	*(29.28)*
Total Comprehensive Income for the period (Comprising Profit (Loss) and other Comprehensive Income for the period)	4,351.21	*1,675.78*
Earnings Per Share (EPS)	3.85	*1 .52*

During this year Company has achieved a recovery of 11.55% at Ugar and 10.75% at Jewargi. With better price realization the Company has earned a net profit of Rs.4,332.84 Lakhs compare to last year's profit of Rs.1705.06 Lakh.

The Central Government is taking various measures to stabilize the sugar price.

Transfer to Reserve: No amount has been transferred to Reserve for the Financial Year 2021-22.

DIVIDEND:

Your Directors are pleased to recommend a dividend @ 25% (Rs.0.25 per share) for the Current Financial Year 2021-22.

DIVIDEND DISTRIBUTION POLICY:

Pursuant to Regulation 43A of the Securites and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations], the Board of Directors of the Company had formulated a Dividend Distribution Policy ('the Policy').

The Policy is available on the Company's website URL:
http://web.ugarsugar.com/Investor_Relations/Corporate_%20Announcements/Dividend-Distribution-Policy.pdf

OPERATIONS:

SUGAR AT UGAR:

Particulars	**Sugar Season 2021-22**	*Sugar Season 2020-21*
Date of beginning of the crushing season	18.10.2021	*25.10.2020*
Date of ending of crushing season	07.04.2022	*10.03.2021*
Number of Working Days	172	*137*
Sugar Cane Crushed (Lakh MT)	23.09	*19.47*
Recovery	11.55%	*11.56%*
Sugar Produced (Lakh QTLs.)	26.32	*22.64*

SUGAR AT JEWARGI :

Particulars	**Sugar Season 2021-22**	*Sugar Season 2020-21*
Date of beginning of the crushing season	30.10.2021	*13.11.2020*
Date of ending of crushing season	21.04.2022	*09.03.2021*
Number of Working Days	174	*117*
Sugar Cane Crushed (Lakh MT)	5.29	*3.40*
Recovery	10.75%	*10.72%*
Sugar Produced (Lakh QTLs.)	5.75	*3.76*

DISTILLERY, IML PRODUCTION & ELECTRICITY GENERATION :

Particulars	Unit	Financial Year 2021-22	*Financial Year 2020-21*
Rectified Spirit Produced (Lakh BL)	Ugar	144.54	*142.00*
Denatured Spirit Produced (Lakh BL)	Ugar	65.39	*68.25*
Potable Alcohol Produced (Lakh BL)	Ugar	60.44	*58.87*
Electricity Generated (Lakh KW)	Ugar	1516.35	*1395.63*
Electricity Exported (Lakh KW)	Ugar	770.27	*742.07*
Electricity Generated (Lakh KW)	Jewargi	408.84	*308.59*
Electricity Exported (Lakh KW)	Jewargi	251.31	*186.17*

Your Directors expect to procure approximately between 30 to 34 Lakh MT sugarcane at Ugar and Jewargi Units during the crushing season 2022-23. The above figures would be determined after observing the monsoon rains.

ENVIRONMENTAL SAFETY:

Our Company continues to pursue its environmental friendly approach toward Industrial growth. Constant improvements are being made in the process and equipment to minimize the discharge of effluents and emissions.

FIXED DEPOSITS:

The Company has not accepted fresh deposits from the public pursuant to Section 73 or 76 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014. However,1 (one) Depositors has not claimed his deposit after maturity as on 31st March 2022, and the amount outstanding as of that date is Rs. 2.55 Lakh. These amounts are lying with the Company as there is litigation in Sangli Civil Court amongst the heirs about the true ownership of the deposit. As and when a court order is received, the amount will be paid.

PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS UNDER SECTION 186:

The company has not advanced any loans pursuant to Section 186 of the Companies Act, 2013. The Company has given Corporate Guarantees amounting to Rs. 65 Cr. to Union Bank of India for H&T Loans. The investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements at Note No C.

DIRECTORS' DETAILS OF APPOINTMENT / CESSATION AND REAPPOINTMENT:

- Mrs. Shilpa Kumar aged 55 years, is liable to retire by rotation at this AGM & being eligible offers herself for reappointment. Being a fit and proper person, the Board intends to reappoint her as a Director.
- Shri. Sohan S. Shirgaokar aged 38 years, is liable to retire by rotation at this AGM & being eligible offers himself for reappointment. Being a fit and proper person, the Board intends to reappoint him as a Director.
- Re-appointment of Independent Director:

- Shri. Rakesh Kapoor, Dr. M. R. Desai, Shri. V. Balasubramaniam, and Shri. D. B. Shah Independent Directors who retire at the ensuing AGM will be re-appointed for the remaining period.

* Shri S.S. Gangavati and Mrs. Suneeta Thakur who retires are the ensuing AGM will be reappointed for a period of 3 years.

- All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 46 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015. The details of the appointment of independent Directors are disclosed on Company's website with the following link:
  http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7

- **Board Evaluation:-**

  Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, the independent directors have evaluated the performance of working Directors. The Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committees and Nomination & Remuneration Committees.

- **Nomination & Remuneration Policy:**

  The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for the selection and appointment of Directors, Senior Management, and their remuneration and includes other matters as prescribed under the provisions of Section 178 of Companies Act and Regulation 19 of SEBI (LODR) 2015. The Nomination & Remuneration Policy is available on the website of the Company on the following link......
  http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7

- **Meetings:**

  During the year, Five Board Meetings and Four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The dates and related information is given in corporate governance report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, we confirm that-

i] That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii] The directors had selected such accounting policies and applied them consistently and made a judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

iii] The directors had 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] The directors had prepared the annual accounts on a going concern basis;

v] The directors, in the case of the listed company, had 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] The directors had devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

CORPORATE GOVERNANCE:

Our Company has been following good Corporate Governance since its inception. The shares of our Company are listed on BSE Ltd. (formerly Bombay Stock Exchange Ltd.), and the National Stock Exchange of India Ltd. We are regularly and timely complying with the requirements as per the Listing Agreement. The company has paid the Annual Listed Fees for the Financial Year 2021-22. As required by SEBI Guidelines, a Corporate Governance Report is annexed.

SHARE CAPITAL

During the year, the Company has not issued any fresh shares and the authorised share capital is Rs. 20,00,00,000/- The paid equity share capital of the Company is Rs. 11,25,00,000/- of Rs.1/- each.

CO-GENERATION AT UGAR & JEWARGI:

During this year electricity generated was 1925.24 Lakh KW of which we have exported 1021.58 Lakh KW through, HESCOM, BESCOM, CESCOM, MESCOM, and GESCOM by consuming 6.66 Lakh MT of Bagasse.

DISTILLERY:

The production of Rectified Spirit was 144.54 Lakh BL, as compared to 142.00 Lakh BL during the previous year. During the year under review, we have supplied 31.63 Lakh BL Ethanol to the Oil Companies.

INDIAN MADE LIQUOR (IML) AT UGAR:

The Company has manufactured 6.72 Lakh cases at Ugar during this year as against 6.65 Lakh cases during the previous year. The company has continued bottling its products at M/s. Polson Distilleries and M/s. SDF Industries.

DEMATERIALIZATION OF SHARES:

Our Company has provided connectivity with NSDL & CDSL for dematerialization of its shares for trading in electronic form under ISIN-No: INE071E01023. So far 9,48,53,063. Equity shares have been dematerialized by the shareholders, i.e. 84.31% of total shareholding as on 31st March 2022. The annual fees of depositories for the FY 2022-23 have been paid by the Company.

CONSERVATION OF ENERGY

All the energy conservation measures successfully implemented in past are giving satisfactory results. During the year under review, no new addition has taken place.

Details technology absorption, foreign exchange earnings, and outgo pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with the Rule8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure I.** The annexure form part of this report.

Non-material Subsidiary Company

- Ugar Theatre Private Limited was incorporated on 29-11-1977, with an intention to exhibit films for the Ugar people. With increased media facilities, the film exhibition has become un-remunerative, hence the activity of film exhibition was stopped w.e.f. 30th January 2004 and the machinery was sold. The Company is presently engaged in providing warehousing facilities to others. It has become a subsidiary of our company during the year. It is a non-remunerative subsidy. The accounts have been consolidated with our company. The Board has approved the scheme of merger between The Ugar Sugar Works Limited and Ugar Theaters Pvt. Ltd.
- USW Spirits Private Limited has been incorporated on 17th February 2021. The Company holds 50% of the Share capital in USW Spirits Pvt. Ltd. The USW Spirits Pvt. Ltd is yet to commence its business. It is a non-material Subsidiary Company. The JV partners have decided to close the JV Company.

QUALIFYING REMARKS IN AUDITORS' REPORT:

There are no qualifying remarks in the Statutory Auditors Report.

AUDITORS:

Statutory Auditors

The Company's Auditors, M/s. Kirtane & Pandit LLP, Chartered Accountants, having FRN-105215W were appointed in the 77th Annual General Meeting for a term of five years to retire at the ensuing Annual General Meeting of the Company. On the recommendation of the Audit Committee, the Board has recommended to shareholders the appointment of M/s. Kirtane & Pandit LLP, Chartered Accountants, having FRN-105215W as Statutory Auditors of the company for their second term of 5 Years commencing from 82nd AGM till 87th AGM of the Company. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 for a further period of 5 Years The auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India no ratification is required every year.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records are maintained by the Company in respect of its Cost Audit of Sugar, Industrial Alcohol, and Electrical Energy. Your Directors have appointed M/s Dhananjay V. Joshi & Associates Cost Accountants, (Firm Registration No: 000030), on the recommendation of the Audit Committee, to audit the cost accounts of the Company for the financial year 2022-23 on a remuneration of Rs.2,00,000/- subject to the ratification by General Body.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Abhay Gulavani, Company Secretaries in Practice, Miraj (Membership No F10668) to undertake the Secretarial Audit of the Company who has consented to the same. The Report of the Secretarial Audit

Report is annexed herewith as **"Annexure-II".** The observations made in the report and our reply to the observation are self-explanatory.

CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year in the format prescribed in the Companies (CSR Policy) Rules, 2014 are set out in **"Annexure-III".** of this Report.

INTERNAL FINANCIAL CONTROL:

The Company has Internal Financial Controls with proper checks and balances to ensure that transactions are properly authorized, recorded, and reported apart from safeguarding its assets. These systems are reviewed and improved on a regular basis.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The transactions entered into by the Company during the year were within the limits of the Powers of the Board as prescribed in Section 188 read with Companies (Meetings of Board & its Powers) Rules, 2014. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel, other designated persons, or other related parties which may have a potential conflict with the interest of the Company at large.

The Company has taken Omnibus approval of the Audit Committee for the Related Party Transaction. All Related Party Transactions were placed before the Audit Committee and the Board for their approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Details relating to Related Party Transactions are shown in Form No. AOC-2: (Pursuant to clause (h) of sub–section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) is attached as **Annexure IV.**

PARTICULARS REQUIRED AS PER SECTION 134 OF THE COMPANIES ACT, 2013

As per Section 134 of the Companies Act, 2013 (the 'Act'), your Company has provided the Consolidated financial statements as on March 31, 2022. Your Directors believe that the consolidated financial statements present a more comprehensive picture as compared to standalone financial statements. These documents are available for inspection during business hours at the Registered Office of your Company and the respective subsidiary companies. A statement showing the financial highlights of the subsidiary companies is enclosed to the consolidated financial statements. The Annual Report of your Company does not contain full financial statements of the subsidiary companies, however, your Company will make available the audited annual accounts and related information of the subsidiary companies in soft copy in line with the Ministry of Corporate Affair (MCA) Circular dated May 5, 2020, and its extensions from time to time upon request by any Member of your Company. Form AOC–1 is annexed to this report as **Annexure IV.**

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements of the Company and its subsidiaries for FY 2021-22 are prepared in compliance with the applicable provisions of the Act and as stipulated under Regulation 33 of the SEBI Listing Regulations as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statements together with the Independent Auditor's Report thereon forms part of this Annual Report.

Further, pursuant to the provisions of Section 136 of the Act, the Company will make available the said financial statements of the subsidiary companies upon a request by any Member of the Company. These financial statements of the Company and the subsidiary companies will also be available for inspection to the Members through electronic mode. The Members desiring financial statements of the Company, Consolidated financial statements along with other relevant documents, may send their request in writing to the Company at investor.helpdesk@ugarsugar.com and the same would also be available on the Company's website
URL: http://web.ugarsugar.com/Investor_Relations/AnnualReport.asp?child=4&parent=7

SECRETARIAL STANDARDS

The Ministry of Corporate Affairs notified the Secretarial Standard on Meetings of the Board of Directors (SS–1), Secretarial Standard on General Meetings (SS–2), Secretarial Standard on Dividend (SS–3), and Secretarial Standard on Report of the Board of Directors (SS-4). The Company complies with Secretarial Standards and guidelines issued by the Institute of Company Secretaries of India (ICSI).

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATION IN FUTURE:

There are no significant and material orders passed by any regulatory authority, court, or tribunal which shall impact the going concern status and company's operations in the future.

ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on Company's website at
URL: http://web.ugarsugar.com/Investor_Relations/AnnualReturn.asp?child=5&parent=7

DETAILS OF REMUNERATION AS REQUIRED UNDER SECTION 178 & 197 (12):

Details of Remuneration as required under Section 178 and 197 (12) of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as **"Annexure VII."**

WHISTLE BLOWER POLICY / VIGIL MECHANISM:

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 22 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy / Vigil Mechanism that encourages and supports its Directors & employees to report instances of unethical behavior, actual or suspected frauds or violation of Company's Code of Conduct. It also provides adequate safeguards against the victimization of persons who use this mechanism and direct access to

the Chairman of the Audit Committee in exceptional cases. The Whistle Blower Policy/Vigil Mechanism Policy has been posted on web site of the company on the link
http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7

PREVENTION, PROHIBITION & REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE:

The Company has in place a policy on prevention, prohibition & redressal of sexual harassment of women at work place and an Internal Complaints Committee has been constituted. No complaints are received during the year.

RISK MANAGEMENT POLICY

Details of Risk Management Policy as required under the provisions of Companies Act 2013 are placed on the Company's website www.ugarsugar.com.

CHANGE IN NATURE OF BUSINESS, IF ANY

There is no change in the nature of Business of the company during the year.

BUSINESS RESPONSIBILITY REPORT

As per SEBI LODR Fifth Amendment regulation Business Responsibility Regulation 2019 provides that the Business Responsibility report is mandatory for top 1000 listed Companies. Our rating based on market capitalization as on 31/03/2022 on BSE is 1061 and on NSE is 1007. In view of this, the Business Responsibility report is not mandatory for us and as such same has not been given by us.

ACKNOWLEDGMENT:

Your Directors wish to place on record their sincere appreciation for the continued support received from Managements of Central Bank of India, Bank of Baroda, Union Bank of India, Dombivali Nagari Sahakari Bank and Sangli Urban Co-operative Bank Ltd, for providing working capital finance and Central Bank of India, Bank of Baroda, Union Bank of India, for providing long term finance for Capital Investments, Government of Karnataka and Electricity Supply Companies (ESCOMS), for transmission of energy.

Your Directors thank the Government of India, Government of Karnataka, Government of Maharashtra, Government Authorities, Shareholders, Cane suppliers, Workers and Staff for their co-operation and

By order of the Board of Directors,
For **The Ugar Sugar Works Limited,**

Shishir S. Shirgaokar
Chairman
(DIN No. 00166189)

Place : Sangli
Date : 23rd May 2022.

Regd. Office: Mahaveer Nagar,
Sangli – 416416.

ANNEXURE TO THE DIRECTORS' REPORT
As on 31st Mar 2022
Annexure-1 Techonology Absoption as on 31st March 2022
FORM – B

Our R & D center is recognized by the Ministry of Science & Tech New Delhi for adaptive research on field crops which will be beneficial to farmers as well as to the factory

Sugarcane is the main crop that is required for the factory. But monoculture of sugarcane will result in deterioration of soil. Hence research on other crops like wheat, maize, soybean, chickpea, black gram, and Barley is initiated which is found very beneficial to the farmers.

The factory needs a combination of early, mid-late and late maturing sugarcane varieties with respect to sugar recovery.

Early Variety – Sugarcane variety which shows a good accumulation of sugar in a short period of time in10 to 12 months.

Coc 671 was of this type and in 1996 its percentage in crushing was 91% but it has reduced considerably due to some drawbacks, following varieties are introduced.

Co-9004 Amruta (CoC – 671 x CoT - 8201) and Co -11015 (CoC – 671x Co - 86011) are early Varieties. Tissue culture seed material of these varieties has been brought and distribution is started.

Mid-late maturing varieties – sugarcane varieties which will accumulate desirable sucrose content in 12 to 13.5 months

Co 86032 is still popular amongst the farmers which was released in the year 2000 Alternate Verities CoSnk. 9268, VSI 8005

Co. 18024 (Co 86032 x Co 5001) Sugarcane seed material distribution already started.

Late maturing varieties- Sugarcane varieties which will accumulate sucrose content in 13 to 14.5 months required for crushing in last phase of season.

Com 0265 released by Central Sugarcane Research Station Padegao in 2007 which was released for salinity tolerance & late maturity.

In place of this variety CoSnk 09293, Ms10001 Sugarcane seed material distribution going on

* Study of long-term impact on soils and crops Under effluent water irrigation. – Factory is supplying treated trade effluent Mixed with Krishna river water to the farmers of the Ugar and Ainapur areas. To study its effect a collaborative project along with the University of Agricultural Sciences Dharwad. is initiated and duration is two years.

100 MT Sugarcane yield/Acre -In view of increasing productivity of sugarcane yield. Target yield of 100 MT per acre is initiated in R&D farm with the guidance of Deccan Sugar Technologist Association PUNE. Once the technique is finalized it will be recommended to the farmers.

Front line Demonstration of Soybean - Every year it is carried out in 50 acres. Farmers are selected for total area 50 acres scientific package of practices is given and each farmer is given Rs-2700/- per FLD of 1-acre trial Total farmers selected 50 varieties tried. Dsb- 34, Dsb-21, Dsb- 30.

International Wheat trials -In collaboration with the University of Agricultural Sciences Dharwad International wheat trials are conducted with material received from ICARDA, CIMMYT Mexico.

- Research collaboration continues with the University of Agri. Sciences Dharwad, Bangalore, Sugarcane Breeding Institute Coimbatore. S Nijalingappa Sugar Institute Belgavi, VSI (Vasantdada sugar institute) Pune, CSRS (Central Sugarcane Research Station) Padegao Maharashtra. Deccan Sugar Technologies Association PUNE.

Future plan of action -

1) Identification of new sugarcane varieties and distribution of quality seed to the farmers.
2) Reclamation of saline soils.
3) Increase in the area under drip irrigation system.
4) Implementation of improved technique to get 100 mt sugarcane yields.
5) Ideal varietal combination in crushing to get maximum recovery.

Details of Foreign Exchange Earnings & Outgo are as under:

Sr. No.	Particulars	Rs. in Lakh
1.	Foreign Exchange Earnings	Nil
2.	Foreign Exchange Outgo	
	a. Travelling	3.28
	b. Raw Sugar	00
	c. Machinery Parts	00
	d. Subscriptions	00

ANNEXURE II
Secretarial Audit Report
Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31st March, 2022

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

To,

The Members,

The Ugar Sugar Works Limited,

Mahaveernagar,

Sangli – 416416.

(CIN – L15421PN1939PLC006738)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Ugar Sugar Works Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Till the month of February 2022, there were inter-state barriers due to COVID-19. Based on my verification of The Ugar Sugar Works Limited, 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 which were made available to us, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 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:

I have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company during the financial year from 1st April 2021 to 31st March 2022 and made available to me, 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) 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, 1992 as amended upto 2015;

(c) The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements, LODR) Regulations, 2015; and

(v) Company has complied with the other applicable laws as applicable specifically to the company as identified by the management, as mentioned below:

i. Sugar Cess Act, 1982

ii. Food Safety And Standards Act, 2006

iii. Essential Commodities Act,1955

iv. Sugar Development Fund Act, 1982

v. The Karnataka Sugarcane (Regulation on Purchase and Supply) Act, 2013,

vi. Export (Quality Control and Inspection) Act, 1963

vii. Indian Boilers Act, 1923

viii. The Electricity Act, 2003

ix. National Tariff Policy

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

(i) Mandatory Secretarial Standards and Auditing Standards issued by The Institute of Company Secretaries of India from time to time.

(ii) The uniform Listing Agreements entered into by the Company with BSE Limited & National Stock Exchange of India Limited, the Stock Exchange(s).

(vii) I am informed that, during the year, Company was not required to comply with the following laws/regulations/agreements/guidelines and consequently not required to maintain any books, papers, records or file any forms, returns under:

a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

f) 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;

During the period under review the Company has adequately complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable, subject to the observations as mentioned in Annexure-B:

I 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.

Majority decision is carried through. As informed, there were no dissenting views from any Board member that were required to be captured and recorded as part of the minutes.

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

I further report that, during the audit period, there are no specific event / action having a major bearing on the Companies affairs except the point stated below:

1. Nomination & Remuneration Committee and Board of Directors of the company have approved the proposal regarding payment of additional Performance Incentive of 3% to Managing Director & Rs.3,00,000/- per Non Executive Directors & Independent Directors of the company respectively for year 2021-22 which is subject to the approval of Shareholders of the company.

2. Company has prepared a scheme of Merger for merging its subsidiary Company Ugar Theatre Private Limited. The Board of Directors have approved the scheme and the same has been submitted to the Stock Exchange for their noting. Necessary petition will be filed with NCLT in due course.

Place : Sangli
Date : 23-05-2022

Abhay R. Gulavani
Practicing Company Secretary
FCS: 10668; CP: 10741
UDIN: F010668D000363900
Peer Review Cert No1841/2022

Annexure – A to Secretarial Audit Report of even date

To,
The Members,
The Ugar Sugar Works Limited,
Mahaveernagar,
Sangli – 416416.
(CIN – L15421PN1939PLC006738)

My Secretarial Audit Report dated 23rd May, 2022 for the financial year ended on 31st March, 2022, is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is a part of financial audit. Further we have relied on the report of the auditors in relation to various calculations as required under the Companies Act 2013 including Managerial Remuneration, CSR Provisions, etc.

4. I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required. Details of the directorships in other companies, their status, disclosures made by the Directors, have been taken from MCA Director master data, Form MBP-1 and declarations from Independent Directors.

5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.

6. This 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.

7. Due to COVID-19 pandemic, interstate movement were banned till February 2022.

Abhay R. Gulavani
Practicing Company Secretary

Place : Sangli
Date : 23rd May, 2022

FCS: 10668; CP: 10741

Annexure – B

Sr.No.	Observation	Management Response
1	Form MGT-14 for filing of Agreement and Forms MR-1 for appointment of Managerial person, for the AGM held on 22-09-2021, were not filed till 31-03-2022 by the Company.	The stated forms were filed by the Company on 30-04-2022, on payment of additional fees.

Abhay R. Gulavani
Practicing Company Secretary

Place : Sangli
Date : 23rd May, 2022

FCS: 10668; CP: 10741

ANNEXURE III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES 2021-22

In terms of the Companies Act, 2013, every listed company has to have a Corporate Social Responsibility (CSR) Committee of the Board of Directors which will help the Company to frame, monitor and execute the CSR activities of the Company under its CSR scope.

The CSR Committee is also entrusted with implementing the CSR Policy of the Company as approved by its Board of Directors. Web link for CSR Policy is

http://web.ugarsugar.com/Investor_Relations/Corporate_Governance/CSR_Commitee.asp?child=8&p a rent=9

Scope:

The CSR Policy will cover the following focus areas which the Company will undertake through its various initiatives in the areas of 1. Health, 2. Education, 3. Community Development, 4. Natural Calamities and 5. Sports Development and Cultural Activities.

2. **Composition of CSR Committee**

The CSR Committee meeting 3rd February 2022.

Following are members of the Corporate Social Responsibility Committee of the Board.

Sl. No.	Name of Directors	Designation	Number of meetings of CSR Committee	
			held during the year	attended during the year
1	Dr. M. R. Desai	Chairman	1	1
2	Mr. D. B. Shah	Member	1	1
3	Mr. Sachin Shirgaokar	Member	1	1
4	Mr. Sohan Shirgaokar	Member	1	1

3. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable

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

Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
Nil		

5. Average net profit of the company as per Section 135(5): Rs.1264.75 Lakh.

6. (a) Two percent of average net profit of the company as per section 135(5): Rs. 25.30 Lakhs

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not applicable

   (c) Amount required to be set off for the financial year, if any: Not applicable

   (d) Total CSR obligation for the financial year (7a+7b-7c): Rs.25.30 Lakhs

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

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs.27.37 Lakh	Not applicable				

(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	
Sr. 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
	Not Applicabloe											

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

1	2	3	4	5		6	7	8	
Sr. 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.		Amounts spend for the project (in Rs. Lakh)	Mode of implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Covid Center	(ii)	Yes	Karnataka	Belgaum	9.73	Yes (Direct)	NA	NA
2	Sports Infracsture	(vii)	Yes	Karnataka	Belgaum	5.64	Yes (Direct)	NA	NA
3	Health	(i)	Yes	Maharashtra	Sangli	5.00	No	Sanjeevan	CSR000

	Care							Medical Foundation, Ashwini Parasad Hospital, Station Road, Miraj, Mh 29, Mh, 416410	20620
4	Promotion of education	(ii)	Yes	Karnataka	Belgaum	5.00	No	Shri Vinayakrao Shirgaokar Pratisthan, Ugar Khurd Tal Kagwad Dist Belgaum, Ugar Khurd, ka02, ka,591316	CSR000 26868
5	Health Care	(i)	Yes	Maharashtra	Sangli	2.00	No	Indian Red Cross Society Kolhapur District Branch Kolhapur, Nyay Nagari, Behind District Court, kasba Bawada, Kolhapur - 416003	CSR000 23134

(d) Amount spent in Administrative Overheads: Not applicable

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.27.37 Lakhs

(g) Excess amount for set off, if any:- Rs. 2.07 Lakhs

Sr. No.	Particulars	(Rs. in Lakhs)
a)	Two percent of average net profit of the company as per section 135(5)	1264.75
b)	Total amount spent for the Financial Year	27.37
c)	Excess amount spent for the financial year [(ii)–(i)]	2.07
d)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
e)	Amount available for set off in succeeding financial years [(iii)–(iv)]	0

8. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable

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

(b) Details of Unspent CSR amount for the preceding three financial years: Not applicable

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

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)
   a) Date of creation or acquisition of the capital asset(s): Not applicable
   b) Amount of CSR spent for creation or acquisition of capital asset: Not applicable
   c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not applicable
   d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not applicable
10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

Dr. M. R. Desai
Chairman CSR Committee
(DIN – 01625500)
The Ugar Sugar Works Ltd

Mr. Niraj S. Shirgaokar Managing Director (DIN - 00254525) The Ugar Sugar Works Ltd	**Mr. Chandan S. Shirgaokar** Managing Director (DIN - 00208200) The Ugar Sugar Works Ltd

Place : Sangli
Date : 23rd May 2022

ANNEXURE IV

Form No. AOC-2 : (Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) for the year 2021-22

Details of material contracts or arrangements or transactions not at arm's length basis: **Nil.**

Details of material contracts or arrangements or transactions **at arm's length basis**

(a)	Name(s) of the related party	**Body Corporate** 1. S. B. Reshellers Pvt Ltd. 2. Gyanshree Enterprises 3. Sanjeev Suresh Shirgaokar(HUF) 4. Tara Tiles Pvt. Ltd. 5. Ugar Pipe Ind Pvt Ltd
	Nature of relationship	Group Companies and Relative
(b)	Nature of contracts /arrangements / transactions	Purchase of Machinery, Spare Parts, Repairs & Maintenance, Sale of Scrap / Machinery Parts and Rent and Salaries etc.
(c)	Duration of the contracts / arrangements / transactions	01-04-2021 to 31-03-2022
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Related party transactions are finalized based on following procedure : a) Comparison of Quotations received from similar parties in market b) Earlier performance of the party, quality of supply & services. c) Recommendations by Technical Team All the transactions are done at fair market value and at an arm's length basis. Party names & Values of Transaction. Rs. in Lakhs. 1. S. B. Reshellers Pvt. Ltd. 474.71 2. Gyanshree Enterprises 13.20 3. Sanjeev Suresh Shirgaokar (HUF) 30.96 4. Tara Tiles Pvt. Ltd. 0.22 5. Ugar Pipe Ind. Pvt. Ltd. 2.86
(e)	Date(s) of approval by the Board	(Omnibus Approval for all Related Party Transaction has been obtained in Audit Committee Meeting held on 28/05/2021.)
(f)	Amount paid as advances, if any:	Nil

Form AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with
Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or
associate companies or Joint ventures as on 31st March 2022

Part A- Subsidiaries

S.No.	Particulars	Amount (Rs. Lakhs)
01	Name of the subsidiary	Ugar Theatres Private Limited
02	The date since when subsidiary was acquired	30.09.2019
03	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No
04	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
05	Share capital	2.27
06	Reserves and surplus	157.78
07	Total assets	186.42
08	Total Liabilities	186.42
09	Investment	–
10	Turnover	3.85
11	Profit before Taxation	0.73
12	Provision for taxation	0.21
13	Profit after Taxation	0.51
14	Proposed Dividend	–
15	Extent of shareholding (in percentage)	100

Part B -Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2O13 related to Associate Companies and Joint Ventures - **NA**

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

Regd. Office : Mahaveer Nagar,
Sangli – 416416.
Date : 23-05-2021

Shrikanta V. Bhat
Manager-Finance (ACA-222060)

Tushar V. Deshpande
Company Secretary (ACS - 45586)

Annexure VII

Details of Remuneration as required under section 197 (12) of the Companies Act, 2013 Read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014.

I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2021-22 (Rs. in Lakh)	% Increase/ Decrease in Remuneration in the Financial Year 2021-22	Ratio of Remuneration of each Director /to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1)	Niraj Shirgaokar Managing Director	230.53	14.89	80.04	Increase in the profit of the company from Rs.1705.06 Lakh. to **Rs. 4332.84 Lakh.**
2)	Chandan S. Shirgaokar Managing Director.	332.57	6.03	115.47	
3)	Shrikanta V. Bhat Chief Financial Officer	14.35	NA	NA	
4)	Tushar V. Deshpande Company Secretary	4.52	NA	NA	

i) The median remuneration of employees of the company during the financial year was Rs. 2.88 Lakh.

ii) In the financial year, there was an increase of 8.68% in the median remuneration of employees;

iii) There were 1262 permanent employees on the rolls of company as on March 31, 2022;

iv) Relationship between average in the remuneration and company performance:- Increase in the profit of the company from Rs.1705.06 Lakh to Rs.4332.84 Lakh.

v) The average increase in median remuneration was in line with the performance of the company.

vi) Comparison of Remuneration of the Key Managerial Personnel against the performance of the Company:

The total remuneration of Key Managerial Personnel Increase of 1.77% from Rs. 571.83 Lakh in 2020-21 to Rs. 581.97 Lakh in 2021-22 whereas the profit increase from Rs.1705.06 Lakh in 2020-21 to Rs.4332.84 Lakh in 2021-22.

vii) a) Variations in the market capitalization of the company : The Market capitalization as on March 31, 2022 was Rs. 770.63 Crore (Rs. 195.19 Crore as on March 31, 2021)

b) Price Earnings ratio of the Company was 19.04 as at March 31, 2022 and was 13.45 as at March 31, 2021.

c) Percent increase over/ decrease In the market quotations of the shares of the company as compared to the rate at which the company come out with the last public offer in the year- The Company had come out with initial public offer (IPO) in 1950. An amount of Rs. 1000 invested in the said IPO would be worth Rs. 265053 as on March 31, 2022 indicating a Compounded Annual Growth Rate of 8.06% This is excluding the dividend accrued there on and other benefits.

viii) Average percentage increase made in the salaries of employees other than the Key Managerial Personnel in the last financial year i.e. 2021-22 was 8.68% whereas the Increase in the managerial remuneration for the same financial year was 1.77%

ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and

xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employee.

xii) Details of top ten employees' remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of Rules are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any shareholder on request. Such details are also available on our Company's website: www.ugarsugar.com.

MANAGEMENT DISCUSSION AND ANALYSIS

Industrial Structure and Development:

The ownership of the sugar industry is a combination of public, private, and co-operative sectors. Sugar is produced in almost all the major Indian States. Maharashtra, Uttar Pradesh, and Karnataka contribute to more than 75 % of the country's total production. Tamilnadu, Andhra Pradesh, Bihar, and Gujarat are the other major sugar-producing States.

The sugar production in the country during the year 2021-22 will be around 350 Lakh tons compared to 302 Lakh tons in the previous year. This is after considering the diversion towards production of Ethanol. The sugar production during the year 2022-23 is likely to be better in the current year due to good weather and water supply. The plantation of crops in Maharashtra and Karnataka will increase substantially

The short-term outlook for sugar looks to be reasonably good on account of stable domestic prices, good export of sugar, and diversion to Ethanol.

However, the Ethanol supply and exports prove to be a silver lining for the industry in the years to come

Opportunities and Threats:

Opportunities:

- To control falling prices, the government has introduced release mechanism and has also declared minimum selling price which is likely to go up to Rs.3300 per quintal.
- Environmental friendly power generation from co-generation units equipped with high-pressure boilers and turbines is getting maximum energy output.
- Bio-composting processes and conversion of organic and inorganic matter into bio-manure to ensure zero liquid discharge from the distillery.

- The Government of India is promoting Ethanol blending as per the National Biofuel Policy. There have set a target of achieving 20% blending of Ethanol with petrol by the year 2025. Currently, we are close to 10% blending in this financial year.
- The interest rates have started coming down.

Threats:

The sugar industry presently is coming across the following threats:

- Shortage in the availability of farm labor for harvesting and transportation, loading and unloading of sugar cane.
- Continuous increase in FRP for the last 3 to 4 years has increased in cane procurement price, without any increase in the MSP of sugar.
- An increase in the number of sugar factories in the surrounding area and also an increase in their crushing capacity, leading to higher competition.

Segment-wise Performance:

Sugar:

During the Current Year the Company has crushed 27.51 Lakh MT of sugar cane from both Ugar and Jewargi unit (as against 22.87 Lakh MT during the previous year) and produced 31.08 Lakh QTLs of sugar (as against 26.40 Lakhs QTLs of sugar during the previous year) at the recovery of 11.55% and 10.75% respectively for Ugar and Jewargi unit. The crushing and recovery during the year have improved due to the good monsoon and increased yield and area of sugarcane.

Industrial and Potable Alcohol:

The company has produced 270.37 Lakh BLS of Industrial and Potable Alcohol during the year (against the last year's production of 271.31 Lakh BLS).

Co-generation (Ugar&Jewargi):

We have generated 1925.24 Lakh kW power during the year at Ugar and Jewargi Unit (as against 1704.22 Lakh during the previous year) and have exported 1021.58 Lakh kW of power during the year (as against 928.24 Lakh KW during the previous year). We have supplied power to the exchange through Electric Supply Companies (ESCOMS). The power generation has improved due to good crushing.

Adequacy of Internal Control:

The Company has a proper and adequate system of internal control to ensure that all assets are safeguarded and protected. The Internal Auditor submits a report covering almost all the areas of operations.

Human Resources Development:

The Company provides regular training and all-round exposure to the employees and staff. The Company has a well-equipped township with recreational facilities such as a clubhouse, playground, swimming pool, gymnasium, etc. The Company also operates a Cooperative Society, Hospital, School, and College for the benefit of the workers and the general public.

The Company has a dedicated workforce of 1262 people (including the Jewargi unit) comprising of 969 permanent, 248 seasonal, and 45 employees in Honorarium.

REPORT ON CORPORATE GOVERNANCE

I. Company's Philosophy on Corporate Governance:

The Ugar Sugar Works Limited believes that good Corporate Governance is essential to achieve long-term corporate goals, enhance shareholders' value and attain highest level of transparency. The Company is committed to achieve the highest standard of Corporate Governance, accountability and equity in all facets of its operations and in all interaction with stakeholders. The Company believes that all its operations and actions must serve the underlined goal of enhancing customers' satisfaction and shareholders' value over a sustained period of time.

II. Board of Directors:

A. The Board of Directors comprises Seven Promoter Directors (Non-Executive Chairman, two Managing Directors, and four Non-executive Directors including a Woman Director) and Seven Non-Executive Independent Directors as on 31st March 2022.

During the year, 5 (Five) Board Meetings were held on 28th May 2021, 12th August 2021, 22nd September 2021, 10th November 2021, and 4th February, 2022.

B. The Composition of the Board of Directors, their attendance at the Board meetings during the year and at the last Annual General Meeting along with the number of directorships in other companies, and committee chairmanship/memberships are as follows:

Name of Directors	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	No. of other Directorship #	Other Committee Membership/ Chairmanship $		List of Directorship held in Other Listed Companies and Category of Directorship
					Member	Chairman	
1. Mr. Shishir S. Shirgaokar	P/ Chairman	5	Yes	10	-	2	• Synergy Green Industries Limited- Non-Executive Director • KPT Industries Limited- Independent Director
2. Mr. P. V. Shirgaokar	P/NED	5	Yes	7	-	-	———
3. Mr. Niraj S. Shirgaokar	P/MD	5	Yes	5	-	-	———
4. Mr. Chandan S. Shirgaokar	P/MD	5	Yes	4	-	-	• Synergy Green Industries Limited- Non-Executive Director
5. Mr. Sachin R. Shirgaokar	P/NED	5	Yes	4	-	-	• Synergy Green Industries Limited- CMD
6. Mr. Sohan S. Shirgaokar	P/NED	5	Yes	3	–	–	• Synergy Green Industries Limited- Executive Director
7. Mrs. Shilpa Kumar	P/NEWD	5	Yes	2	1	-	———
8. Mr. V. Balasubramanian	NEID	4	No	4	-	-	———

9. Dr. M. R. Desai	NEID	5	Yes	4	–	–	• Synergy Green Industries Limited- Non-Executive Independent Director
10. Mr. D. B. Shah	NEID	5	Yes	–	–	–	———
11. Mr. Rakesh V. Kapoor	NEID	5	Yes	3	3	3	———
12. Mr. Hari Y. Athawale	NEID	5	Yes	–	–	–	———
13. Shripad S Gangavati	NEID	4	Yes	1	–	–	———
14. Suneeta S Thakur	NEWID	5	Yes	1	–	–	———

P - Promoter, MD - Managing Director, NED - Non-Executive Director, NEID– Non-Executive Independent Director, NEWD - Non-Executive Woman Director, NEWID–Non-Executive Woman Independent Director.

\# Excluding Directorships held in Foreign Companies and Section 8 Companies.

$ Committees considered are Audit Committee, Stakeholders' Relationship Committee & Nomination & Remuneration Committee.

Except for sitting fees, commission, if applicable, and professional fees, no other remuneration is paid to Non- Executive Directors. Leave of absence is granted to the directors absent for meetings.

Inter se Relationship between Directors.

Mr. Shishir S. Shirgaokar (Chairman) is father of Managing Director Mr. Niraj Shirgaokar. Mr. P. V. Shirgaokar (NED) is the father of Non-Executive Woman Director Mrs. Shilpa Kumar. Mr. Sohan S. Shirgaokar (NED) is brother of Managing Director Mr. Chandan S. Shirgaokar.

C. Skill/Expertise/Competence of the Board of Directors:

The Nomination and Remuneration Committee (NRC) recommends appointment of a person possessing requisite skill sets, to be appointed as a Director of the Company. Additionally, the NRC also recommends such appointment if the person possesses knowledge and in-depth experience of the business in which the Company operates or has experience in the areas of banking, finance, marketing and other related aspects of the Company's business. Only those persons who possess the relevant industry skill or having specialization in a relevant area are recommended for appointment as a Director of the Company.

S.No.	Name of Director	Skill, Expertise and Competence
1.	Mr. Shishir S. Shirgaokar	Has a vast experience in the sugar industry. He has worked as Whole time Director of the Company from 2005 to 2008, as an Executive Director from 2008 to 2010, as a Managing Director from 2010 to 2015, as an Executive Vice Chairman in 2015-16 and presently he continues as a Non-Executive Director & Chairman of the Company.
2.	Mr. P. V. Shirgaokar	Has vast experience of working in the sugar industry. He has worked as an Executive Director of the company from 2005 to 2008, as a Managing Director from 2008 to 2010, as an Executive Vice Chairman from 2010 to 2015. And presently he continues as a Non-Executive Director of the Company.

3.	Mr. Niraj S. Shirgaokar	He has rich and varied experience in the Sugar industry for over 17 years; he has developed the SAP System of our Company. He has acquired manufacturing and Administrator proficiency related to manufacturing activities, he is currently Managing Director of the Company for last number of years. He represented Indian Sugar Mills Association (ISMA) as President for the year 2021-22.
4.	Mr. Chandan S. Shirgaokar	He has vast experience in the sugar industry from last number of years, and he has also acquired technically processing proficiency related to manufacturing activities, he is currently Managing Director of the Company for last number of years. He is representing All Indian Distillery Association (AIDA) as a President.
5.	Mr. Sachin R. Shirgaokar	He has completed Mechanical Engineering from the College of Engineering, Bijapur, Karnataka University. This was followed by a master's degree in business Administration from the University of New Hampshire, USA in 1990. He has over 15 years of work experience. He has worked for R. E. Sanderson& Associates, New York as a Junior Consultant. He is presently working with the S. B. Reshellers Pvt. Ltd., & Synergy Green Ind. Pvt. Ltd., as a Chairman &Managing Director and with other group companies as a director.
6.	Mr. Sohan S. Shirgaokar	A Commerce graduate from the Chintamanrao Commerce College, Sangli (Shivaji University Kolhapur). He has completed his M.B.A in Finance & Marketing from the Institute of Management Development & Research Sangli, a unit of the Deccan Education Society, Pune. He is presently working with the S. B. Reshellers Pvt. Ltd., & Synergy Green Ind. Pvt. Ltd., as a Joint Managing Director.
7.	Mrs. Shilpa Kumar	MBA from IIM Kolkatta. She has a rich experience over 22 years in the Finance and Treasury Management.
8.	Mr. V. Balasubramanian	Mr. V Balasubramanian (Retd.IAS) is retired Principal Secretary, Government of Karnataka. He is a Knowledgeable person having vast experience in Administration & many other fields.
9.	Dr. M. R. Desai	A qualified doctor, an Independent Director. He has rich experience in the working of sugar industry. He was a chairman of National Federation for Co-operative Sugar Industries.
10.	Mr. D. B. Shah	He is an agriculturist and a social worker.
11.	Mr. Rakesh V. Kapoor	B Sc. (Hons. Chemistry) from Hinduja Collage, University of Delhi, Post graduate Diploma in Sugar Technology from National Sugar Institute, Kanpur. He has working with various Government Finance Authorities and A dynamic Techno- Finance Professional with strong experience of 31 year in financial service and 15 year in corporate sector.

12.	Mr. Hari Y. Athawale	A Master in Science (Major-Statistics) from Pune University (1962) and Diploma in Systems Analysis from New York University, New York (1985). He has over 22 years of the Banking experience in State Bank of India, the largest commercial bank in India, in Senior Executive Positions covering various responsibilities. He has also worked with State Bank of India, New York Office , Bank of New Zealand, New York, ICICI Ltd which later became ICICI Bank Ltd.
13.	Shripad S Gangavati	BE Mech., and 2nd Rank in the HSC Board of Karnataka, Membership of various Sugar Associations, also he has received various Awards and more than 17 Technical Papers were published by him.
14.	Suneeta S Thakur	Ex-Deputy Managing Director of Saraswat Bank Ltd., Pune, having vast experience in various area related to Banking & Finance Industry.

D. Appointment of Director's:

The brief particulars of the Directors of the Company retiring by rotation and proposed to be re-appointed at the ensuing Annual General Meeting is as under:

- Shri. Sohan Sanjeev Shirgaokar, age 39 years, is on the Board from 2014. He is liable to retire at the ensuing Annual General meeting. Being eligible he offered himself for appointment as a Director.

  Shri. Sohan Shirgaokar is a Commerce graduate from the Chintamanrao Commerce College, Sangli (Shivaji University Kolhapur). He has completed his M.B.A in Finance & Marketing from the Institute of Management Development & Research Sangli, a unit of the Deccan Education Society, Pune. He holds 259632 shares of the Company as on 31.03.2022. His directorship & committee membership in other companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1.	S.B. Reshellers Private Limited	_	_
2.	Tara Tiles Pvt Ltd	_	_
3.	Synergy Green Industries Private Limited	_	_

- Mrs. Shilpa Naval Kumar age 55 years is a MBA from IIM Kolkata. She is on Board from 2015. Shilpa is a Partner at Omidyar Network India, a social impact investment fund. Shilpa Kumar provides overall leadership, including strategy and investments, across the areas of Digital Society, Cities & Innovation, and Inclusive Land & Housing. She also leads policy work in Financial Inclusion and in development of the Non Profit sector strategy.

  Shilpa Kumar has spent more than three decades with the ICICI Bank group (India's largest private sector bank). A key part of her career was in financial markets, building and shaping what is today the bank's treasury/global markets business. She served as MD & CEO of ICICI Securities, India's largest retail broker & a leading investment bank in the country. Shilpa has held board positions in several organisations: ICICI Securities, ICICI Securities Prime Dealership, ICICI Home Finance, Clearing Corporation of India and National Investment and Infrastructure Fund.She has also served on regulatory committees including SEBI's Secondary Markets Advisory

Committee, RBI's Technical Advisory Committee and RBI's Mohanty Committee on Monetary Policy. She has also held positions in industry bodies like FIMMDA (as Chairperson), FICCI / CII (Capital Markets Committee) besides serving on the Advisory Committees of the National Stock Exchange, Bombay Stock Exchange and National Securities Depository Ltd. Shilpa is an alumnus of the Indian Institute of Management, Kolkata. She holds 1,52,600 equity shares in the Company as on 31.03.2022. Her directorship & committee membership in other companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1	SBI Capital Markets Limited	—	—
2	SewaGrih Rin Limited	—	—
3	Development Management Foundation	—	—

- Dr. M. R. Desai age 75 years, a qualified doctor, is on the Board as an Independent Director since 2000. He retires at ensuing AGM and is eligible for re-appointment as an Independent Director. The Board and Nomination and Remuneration Committee has approved his re-appointment for 2 years till 2024. He has a rich experience in the working of sugar industry. He was a chairman of National Federation for Co-operative Sugar Industries. He holds 69,608 equity shares in the Company as on 31.03.2022. His directorship & committee membership in other companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1	Bsj Engineering Private Limited	—	—
2	Sri Chamundeswari Sugars Limited	—	—
3	Negilamidita Farmers Producer Company Limited	—	—
4	Synergy Green Industries Limited	—	—

- Shri. V. Balasubramanian, (Retd. IAS), age 81 years, is on the Board of the Company as an Independent Director since 1997.He retires at ensuing AGM and is eligible for re-appointment as an Independent Director. The Board and Nomination and Remuneration Committee has approved his re-appointment for 2 years till 2024. He is a retired Principal Secretary, Government of Karnataka. He is a knowledgeable person having vast experience in Administration & many other fields. He holds 11,200 equity shares in the Company as on 31.03.2022. His directorship & committee membership in other companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1	Skand Private Limited	—	—
2	Gem Sugars Limited	—	—
3	Nirani Sugars Limited	—	—
4	International Sericulture Alliance	—	—

- Shri. Rakesh Kapoor, age 66 years, is on the Board of the Company as an Independent Director since 2014. He retires at ensuing AGM and eligible for re-appointment as an Independent Director. The Board and Nomination and Remuneration Committee has approved his re-appointment for the final period of 2 years till 2024. He will be appointed as an Independent Director, not liable to retire by rotation.

He is a dynamic Techno-Finance Professional with strong experience of 31 years in financial service sector and 15 years in corporate sector. He is a B.Sc. (Hons. Chemistry) from Hinduja College, University of Delhi, Post Graduate Diploma in Sugar Technology from National Sugar Institute, Kanpur. He has worked with various Government Finance Authorities, Committees including IFCI LTD, IFCI Factors Ltd. He was holding the post of Managing Director of IFCI Factors Ltd., at the time of his retirement. He holds 5000 Shares in the Company as on 31-03-2022. His directorship & committee membership in other public companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1.	Home Credit India Finance Private Limited	–	–

- Mr. D B Shah, age 81 years, is on the Board of the Company as an Independent Director since 2014. He retires at ensuing AGM and eligible for re-appointment as an Independent Director. The Board and Nomination and Remuneration Committee has approved his re-appointment for 2 years till 2024.

  Mr. D. B. Shah, aged 81 years, joined the Board of the Company on 28 March 2005. He is an agriculturist and a social worker. He holds 30,000 shares of the Company as on 31.03.2022. His directorship & committee membership in other public companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
	–	–	–

Mr. S. S. Gangavati, BE Mech., and Sugar Technologist having vast experience is proposed for re-appointment as an Independent Director. The Board and Nomination and Remuneration Committee have approved the re-appointment as Independent Director for the period of 3 years i.e till AGM to be held in 2025.

His directorship & committee membership in other companies is given below

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
1.	Geriexpert-Senior Health Clinic Private Ltd	–	–

Mrs. Suneeta Thakur, Ex-Deputy Managing Director of Saraswat Bank Ltd., Pune, having vast experience is proposed for re-appointment as an Independent Director. The Board and Nomination and Remuneration Committee have approved the re-appointment as Independent Director for the period of 3 years i.e till AGM to be held in 2025.

Her directorship & committee membership in other public companies is given below.

Sr. No.	Directorship in other Companies	Audit Committee	Shareholders / Investor Grievances Committee
	–	–	--

E. Code of Conduct:

The Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company at www.ugarsugar.com. Further Company has devised the Code of Conduct for the Independent Directors as prescribed in the Companies. Act 2013.

F. All the Independent Directors have requisite knowledge of business, in addition to the expertise in their area of specialization. The Company has received declaration from each of the Independent Directors of the Company confirming that he/she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, rules framed there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

III. Audit Committee:

The Audit Committee presently comprises of Six (6) Non-Executive Directors out of which Four (4) are Independent Directors. All the members of the Audit Committee possess financial management expertise and knowledge. During the year, Four (4) Audit Committee Meetings were held 28th May 2021, 12th August 2021, 10th November 2021 and 4th February, 2022.

- Composition and attendance record of Audit Committee members is given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr. Rakesh Kapoor	Chairman	4	4
2. Mr. V. Balasubramanian	Member	4	3
3. Dr. M. R. Desai	Member	4	4
4. Mr. Haribhau Y Athawale	Member	4	4
5. Mr. Sachin R. Shirgaokar	Member	4	4
6. Mr. Sohan S. Shirgaokar	Member	4	4

Committee comprises of majority of Independent Directors with its Chairman as an Independent Director. The Company Secretary Mr. Tushar V Deshpande is the Secretary of the Committee.

- The Role of the Audit Committee is as under:-

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a) Matters required to be included in the Director's Responsibility Statement of the Board's report in terms of sub-section 5 of section 134 of the Companies Act, 2013.
   b) Changes, if any, in accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by management.
   d) Significant adjustments made in the financial statements arising out of audit findings.
   e) Compliance with listing and other legal requirements relating to financial statements.
   f) Disclosure of any related party transactions.

g) Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditor's adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non- payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Review of Information by Audit Committee

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses,

WHISTLE BLOWER POLICY / VIGIL MECHANISM:

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 22 of the SEBI (LODR) Regulations 2015, the Company has adopted a Whistle Blower Policy / Vigil Mechanism that encourages and supports its Directors & employees to report instances of unethical behavior, actual or suspected frauds or violation of Company's Code of Conduct. It also provides adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairman of Audit Committee in exceptional cases. The Whistle Blower Policy/Vigil Mechanism Policy has been posted on web site of Company on the link http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7

IV. Nomination and Remuneration Committee:

- The Nomination & Remuneration Committee comprises of Four (4) directors out of which Three (3) are independent Directors.
- During the year, one meetings of Nomination & Remuneration Committee was held, on 3rd February 2022.
- Composition and attendance record of Nomination & Remuneration Committee is given below :

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Dr. M. R. Desai,	Chairman	1	1
2. Mr. Sohan Shirgaokar	Member	1	1
3. Mr. Hari Y Athawale	Member	1	1
4. Mr. S. S. Gangavati	Member	1	_

- **Terms of Reference:**
- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management Employees, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit committee and Nomination and Remuneration Committee.

- Remuneration paid / payable to Managing Directors (MD's) for the year ended 31st March, 2022.

(Rs. In Lakhs)

Particulars	Salary	Commission	Perquisites	Retirement Benefits	Total
Mr. Niraj S. Shirgaokar (MD)	74.90	111.70	34.68	9.24	230.53
Mr. Chandan S. Shirgaokar (MD)	198.80	111.70	1.31	21.12	332.97

V. Stakeholders' Relationship and Grievance Committee:

- The Stakeholders' Relationship and Grievance Committee comprises of two Independent Directors and two Non-Executive Directors, Mr. V Balasubramanian is Chairman of the Committee.
- During the year under review One (1) Meeting of Stakeholders' Relationship and Grievance Committee was held on 3rd February 2022.
- Composition: The composition and attendance record of Stakeholders' Relationship and Grievance Committee members are given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Mr.V Balasubramanian	Chairman	1	1
2. Mr. D. B. Shah	Member	1	1
3. Mr. Sachin R. Shirgaokar	Member	1	1
4. Mr. Sohan S. Shirgaokar	Member	1	1

- **Terms of Reference:**
- To look into the redressal of grievances of shareholders and other security holders.
- To look into all the complaints received from the shareholders regarding transfer and transmission of shares.
- To look into all the complaints received from the shareholders regarding non- receipt of Balance Sheet, dividend/ interest/ payments on redemption of preference shares, debentures, bonds or such other instruments which are redeemable.
- Mr. Tushar V Deshpande, Company Secretary has been designated as the Compliance Officer.
- During the year only one complaint was received from investors which was replied/ resolved to the satisfaction of the investors and as on 31st March, 2022, no complaints were pending.
- There are no transfer of physical shares, as per vide SEBI Notification has Prohibited to transfer of physical shares until Dematerialization w.e.f 01st April 2019.

VI. Corporate Social Responsibility (CSR) Committee:

The CSR Committee comprises of Four (4) Directors out of which two (2) are Independent Directors. During the year, One (1) meeting of the CSR Committee was held on 3rd February, 2022.

- The Composition & attendance record of the CSR Committee is given below:

Name of the Directors	Status	No. of Meetings	
		Held	Attended
1. Dr. M. R. Desai	Chairman	1	1
2. Mr. D. B. Shah	Member	1	1
3. Mr. Sachin Shirgaokar	Member	1	1
4. Mr. Sohan Shirgaokar	Member	1	1

- **Terms of Reference:**

The CSR Committee is empowered to formulate and recommend to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company, its implementation and monitoring of the CSR Policy and initiatives taken by the Company.

The CSR Policy will cover the following focus area which the Company will undertake through its various initiatives:

1. Health
2. Natural Calamities
3. Education
4. Sport Development
5. Community Development

The following parameters should be observed while considering the activities of the Company:

1. Social impact
2. Visibility to the Company
3. Employee Engagement
4. Duration of the project / activity

VII. Separate Meeting of Independent Directors:

During the year under review, the Independent Directors met on 3rd February, 2022 inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors & the Board of Directors as a whole.
- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Except Mr. Shripad S Gangavati, All other Independent Directors were present at the Meeting.

Familiarisation Programme: Pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI Listing Regulations, kindly refer to the Company's website : http://web.ugarsugar.com/Investor_Relations/Corporate_%20Announcements/Familiarization-Programme.pdf

VIII. General Body Meetings:

- Location and time for the last three Annual General Meetings (AGM):

Financial Year	AGM	Location	Date	Time
2018-19	AGM	Deccan Manufacturers Associations, Madhav Nagar Road, Sangli– 416 416.	14-08-2019	11.00 a.m.
2019-20	AGM	Registered Office Sangli (through Video Conferencing (VC/OAVM)	23 -09-2020	03.00p.m.
2020-21	AGM	Registered Office Sangli (through Video Conferencing (VC/OAVM)	22 -09-2021	11.00 a.m.

- Special Resolutions passed at the Annual / Extra Ordinary General Meetings/Postal Ballot in past 3 years:
- The Special Resolution has passed during last three years are as given below.

81st Annual General Meeting:

All the special resolutions were passed through E-voting & Poll conducted at the 81st AGM. The combined results of E- voting and Poll are as under

Sr. No.	Type of Resolution	Summary of Business transacted at the Annual General Meeting	No of Shares & %age in Favour		No of Shares & % age Against	
			No of shares	%	No of shares	%
1	Special	Continuation of directorship of Mr. Shishir. S. Shirgaokar as a non-executive director of the Company, liable to retire by rotation and to consider and if thought fit, to pass the resolution as a Special Resolution.	3,93,52,692	100.00	0	–
2	Special	Reappointment of Mr. Hari Y Athawale (DIN NO-7335718) as an Independent Director of the Company for second term for the period of 3 (three) year and to consider and if thought fit, to pass, with or without modifications, the resolution as a Special Resolution.	3,93,52,568	100.00	119	0.00
4	Special	To approve Re-appointment and remuneration of Shri. Niraj S. Shirgaokar (DIN No. 0025425) as Managing Director, with effect from 01-04-2021 for the period of three year i.e. up to 31-03-2024 and to consider and if thought fit, to pass, with or without modifications, the resolution as a Special Resolution.	3,93,52,634	100.00	25	0.00
5	Special	To approve Re-appointment and remuneration of Shri. Chandan S. Shirgaokar (DIN No. 00208200) as Managing Director, with effect from 01-04-2021 for the period of three year i.e. up to 31-03-2024 and to consider and if thought fit, to pass, with or without modifications, the resolution as a Special Resolution:	3,93,52,573	100.00	86	0.00

All the Resolutions stands passed under e-voting and poll with requisite majority

80th Annual General Meeting:

All the special resolutions were passed through E-voting & Poll conducted at the 80th AGM. The combined results of E- voting and Poll are as under

Sr. No.	Type of Resolution	Summary of Business transacted at the Annual General Meeting	No of Shares & %age in Favour		No of Shares & % age Against	
			No of shares	%	No of shares	%
1	Special	Continuation of directorship of Mr. P V Shirgaokar as a Non-Executive Director of the Company, who has already attained the age of 75 years for further period of three years as Non–Executive Director from conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2023.	3,65,21,557	99.99	105	0.0003

Postal Ballot:

- The Special Resolution passed through Postal ballot during this year 2020-21 Dated:29.02.2020

Sr. No.	Type of Resolution	Summary of Business transacted at the Annual General Meeting	No of Shares & %age in Favour		No of Shares & % age Against	
			No of shares	%	No of shares	%
1	Special	Payment of remuneration in excess of 11% of the net profits to all the Directors and also in excess of 10% of the net profits to two Managing Directors	1,98,42,554	94.23	83,724	0.40
2	Special	Revision in the remuneration payable to Mr. Niraj S. Shirgaokar (DIN.00254525)	2,09,72,460	99.60	83,724	0.40
3	Special	Revision in the remuneration payable to Mr. Chandan S. Shirgaokar (DIN.00208200)	2,09,72,360	99.60	83,724	0.40

All the Resolutions stands passed under e-voting and poll with requisite majority

79th Annual General Meeting:

All the special resolutions were passed through E-voting & Poll conducted at the 79th AGM. The combined results of E-voting and Poll are as under

Sr. No.	Type of Resolution	Summary of Business transacted at the Annual General Meeting	No of Shares & %age in Favour		No of Shares & % age Against	
			No of shares	%	No of shares	%
1	Special	To consider re-appointment of Mr. Rakesh Kapoor (DIN:00015358) as an independent Director of the Company for second term for the period of 3 (three) year, up to AGM to be held in 2022.	15,670,786	99.93	11,309	0.07
2	Special	To consider re-appointment of Dr. M. R. Desai (DIN:01625500) as an independent Director of the Company for second term for the period of 3 (three) year, up to AGM to be held in 2022.	1,56,01,178	99.48	11,309	0.07

3	Special	To consider re-appointment of Mr. V. Balasubramanian (DIN:00026561)as an independent Director of the Company for second term for the period of 3 (three) year, up to AGM to be held in 2022.	1,56,82,070	100	25	0.00
4	Special	To consider re-appointment of Mr. D. B. Shah (DIN:01822411) as an independent Director of the Company for second term for the period of 3 (three) year, up to AGM to be held in 2022.	1,56,52,070	99.81	25	0.00
5	Special	To consider appointment of Mr. S.S. Gangavati (DIN: 06470675), as an independent Director of the Company for the period of three(3) year with effect from this AGM, till the AGM to be held in 2022.	1,56,76,770	99.97	5,325	0.03

Postal Ballot:

- The Special Resolution passed through Postal ballot during year 2019-20 Dated:11.07.2019

Sr. No.	Type of Resolution	Summary of Business transacted at the Annual General Meeting	No of Shares & %age in Favour		No of Shares & % age Against	
			No of shares	%	No of shares	%
1	Special	Continuation of directorship of Mr. P. V. Shirgaokar as a non-executive director of the Company, from 1st April 2019 till the conclusion of Annual general meeting to be held in 2021	1,471,892	94.28	75,770	4.85
2	Special	Continuation of directorship of Mr. Shishir S. Shirgaokar as a non-executive director of the Company, after 16th January 2020 till the conclusion of Annual general meeting to be held in 2021	1,449,981	92.87	66,916	4.29
3	Special	Continuation of Mr. Manohar G. Joshi as an independent director of the Company from 1st April, 2019 to till conclusion of Annual General Meeting to be held in the year 2019	44,573,410	99.69	66,208	0.15
4	Special	Continuation of Mr. Deepchand Shah as an independent director of the Company from 1st April, 2019 to till conclusion of Annual General Meeting to be held in the year 2019	44,580,416	99.71	80,182	0.18
5	Special	Continuation of Mr. V. Balasubramanian as an independent director of the Company from 1st April, 2019 to till conclusion of Annual General Meeting to be held in the year 2019	44,588,326	99.73	72,120	0.16

6	Special	Continuation of Mr. Hari Y. Athawale as an independent director of the Company to hold office from 1st April, 2019 to till conclusion of Annual General Meeting to be held in the year 2021	44,586,666	99.72	74,306	0.17

All the Resolutions stands passed under e-voting and poll with requisite majority

IX. Other Disclosures:

A. Transactions with Non-Executive Directors of the Company during the year.

Name of the Directors	Sitting Fees Paid (Rs. in Lakh)	Payment against Cane Supplied (Rs. in Lakh)	Dividend Paid (Rs. in Lakh)	Interest Paid on Fixed Deposits (Rs. in Lakh)	No. of Shares held as on 31/03/2022
1. Mr. P V Shirgaokar	1.50	23.21	1.65	18.99	8,23,929
2. Mr. V. Balasubramanian	1.95	–	0.22	–	11,200
3. Mr. Shishir S. Shirgaokar	1.50	–	0.79	3.80	3,94,255
4. Dr. M. R. Desai	2.55	–	0.14	–	69,608
5. Mr. D.B. Shah	1.95	–	0.06	–	30,000
6. Mr. RakeshKapoor	2.25	–	0.01	–	5,000
7. Mr. Sachin R. Shirgaokar	2.40	–	3.09	–	15,02,133
8. Mr. Sohan S. Shirgaokar	2.55	–	0.52	–	2,59,632
9. Mrs. Shilpa Kumar	1.50	–	0.31	–	1,52,600
10. Mr. Hari Y. Athawale	2.40	–	0.07	–	48,240
11. Suneeta S Thakur	1.65	–	0.04	–	18,000
12. Shripad S Gangavati	1.10	–	0.01	–	5000

The Company did not pay any Consultancy Charges to any of the Non-Executive Directors of the Company.

Disclosure of Related Party Transactions:

Note: - The transactions executed with the Non-Executive Directors as well as the Related Parties referred above are not material transactions and do not conflict with the interest of the Company.

A. Other Compliance.

- All the mandatory requirements of Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied.
- The Compliance Reports of all laws applicable to the Company are periodically reviewed by the Board. Further the entire quarterly / half yearly / yearly results, compliance reports and returns are filed with Stock Exchanges within the prescribed time.
- The Securities of companies are listed on BSE & NSE. Company confirms that it has paid the annual listing fees for the year 2021-22.

B. Disclosure of Related Party Transactions:

All related party transactions have been entered into in the ordinary course of business and were placed periodically before the Audit Committee and the Board. All transactions with the related parties are at an arm's length basis and in the ordinary course of business. All the transactions with the related parties are not material in nature. The policy on related party transactions is placed on the web site of the Company which can be viewed through
http://web.ugarsugar.com/Investor_Relations/Corporate_Announcements.asp?child=3&parent=7

C. Disclosure of Accounting Treatment:

All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.

D. Risk Management:

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

The Company has in place mechanism to inform the Board Members about the Risk Assessment and Minimization procedures and periodical reviews, to ensure that risk is controlled. Company has formed a committee named as "Risk Management Committee". The Policy on Risk Management is placed on the website of the Company.

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

- Oversight of risk management performed by the executive management;
- Reviewing the Risk Management Policy and framework in line with local legal requirements and SEBI Guidelines;
- Reviewing risks and evaluate measures including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring and mitigation and reporting of risks.
- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

The composition of the committee is as under-

1. Niraj S. Shirgaokar - Member
2. Chandan S. Shirgaokar - Member
3. B. N. Akiwate - Member
4. Shrikanta Bhat - Member
5. Tushar Deshpande - Coordinator

Risk Management Policy

Details of Risk Management Policy as required under the provisions of Companies Act 2013 are placed on the Company's website www.ugarsugar.com.

E. Subsidiary Companies:

Ugar Theatre Pvt. Ltd has become non material100% Subsidiary Company during the year 2019-20. The Board has approved merger between the Ugar Sugar Works Limited and Ugar Theater Pvt. Ltd.

USW Spirits Pvt. Ltd has incorporated on 17th Feb, 2021. The Company holds 50% of Share capital in USW Spirits Pvt. Ltd. The USW Spirits Pvt. Ltd is yet to commence its business. It is a non-material Subsidiary Company. The JV partners have decided to close the JV Company.

F. Associate Companies:

There is no Associate Companies during the year 2021-22

G. PREVENTION, PROHIBITION & REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE:

The Company has in place a policy on prevention, prohibition & redressal of sexual harassment of women at workplace and an Internal Complaints Committee has been constituted. No complaints are received during the year.

X. Means of Communication:

The company is publishing quarterly un-audited financial results notice and advertisements in the Economic Times/Indian Express and/or Business line in English, Kesari/Tarun Bharat in Marathi, regularly. Additionally, the results and other important information are also periodically updated on the Company's Website, viz. www.ugarsugar.com

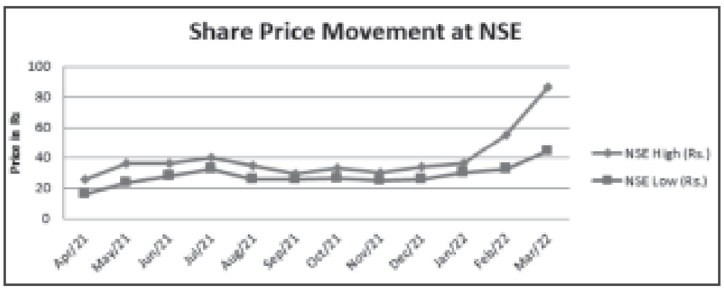
The company has not issued any news releases nor given any presentations to institutional investors or analysts.

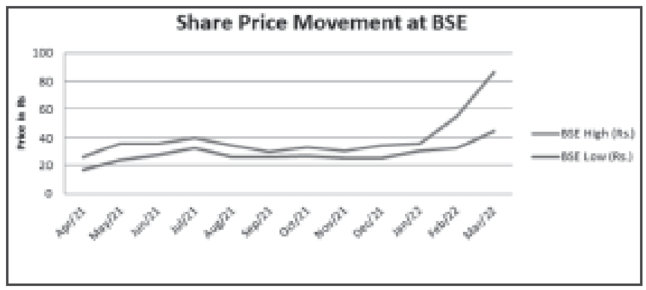
XI. General Shareholders Information.

i. AGM Date, Time and Venue	15th September 2022 at 11:00 a.m. at Registered Office.
ii. Financial Calendar 2021-22	Probable Dates:
First quarterly un-audited results	Before 15th of August 2022
Second quarterly un-audited results	Before 15th of November 2022
Third quarterly un-audited results	Before 15th February, 2023
Fourth & Final quarterly audited results	Before end of May 2023
iii. Book Closure Date	5th September 2022 to 15th September 2022
iv. Dividend payment date	On or before 12th October 2022
v. Listing on Stock Exchange.	Bombay Stock Exchange Ltd.(BSE), National Stock Exchange of India Ltd. (NSE)
vi. Stock Code:	BSE-530363, NSE- UGARSUGAR-EQ
Dematerialization ISIN No.	INE-071E01023.
vii. Payment of Listing Fees	The annual listing fee for the year 2022-23 has been paid by the Company to BSE and NSE.
viii. Payment of Depository Fees	Annual Custody / Issuer fee for the year 2022-23. has been paid by the Company to NSDL and CDSL

ix. Market Price Data High/ Low during each month of Financial Year 2021-22 at BSE &NSE

NSE			BSE		
Months	**High (Rs.)**	**Low (Rs.)**	**Months**	**High (Rs.)**	**Low (Rs.)**
Apr-21	25.85	16.45	Apr-21	25.90	16.45
May-21	35.90	23.90	May-21	35.70	24.00
Jun-21	35.95	27.70	Jun-21	35.95	27.60
Jul-21	40.05	32.35	Jul-21	40.10	32.35
Aug-21	34.35	25.90	Aug-21	34.30	25.95
Sep-21	29.20	25.60	Sep-21	29.30	25.95
Oct-21	33.20	26.40	Oct-21	33.15	26.60
Nov-21	30.05	25.20	Nov-21	30.05	25.45
Dec-21	33.85	25.70	Dec-21	34.00	25.30
Jan-22	35.80	29.90	Jan-22	35.50	30.05
Feb-22	55.05	32.50	Feb-22	55.00	32.50
Mar-22	86.75	44.10	Mar-22	86.50	44.60





x. Share Transfer System:

With effect from 5th December 2018, no physical shares are transferred. Only transmission of shares are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respect through Company's Registrar & Transfer Agent M/s. Bigshare Services Pvt. Ltd. Mumbai, transmission of Shares is approved by Share Transfer Committee consisting of Managing Director and Company Secretary, fortnightly based upon the number of transmission applications received from Registrar & Share Transfers Agents.

xi. Distribution of Shareholding as on 31st March, 2022

No. of equity shares held	No. of Folios / Shareholders	No. of Shares held	% of Share holding
Upto 5,000	48042	2,63,50,395	23.42
5,001 to 10,000	1383	1,02,14,282	9.08
10,001 to 20,000	529	73,65,874	6.54
20,001 to 30,000	122	30,51,819	2.71
30,001 to 40,000	41	14,57,944	1.29
40,001 to 50,000	22	10,02,539	0.89
50,001 to 1,00,000	49	34,90,856	3.10
More than 1,00,000	73	5,95,66,291	52.97
Total	**30761**	**11,25,00,000**	**100.00**

xii. Shareholding Pattern as on 31st March, 2022.

Category	No. of Share held	% of Total Share holding
Promoter Group	5,01,81,279	44.61
Banks, Financial Institutions, Insurance Companies,	2,880	0.00
Foreign Financial Institutions	2,02,696	0.18
IEPF	6,02,160	0.54
Indian Public	5,23,59,314	46.54
Other (incl. N. R. I., Private Corporate Bodies and Trust, Clearing Member)	91,51,671	8.13
G. D. R. / A. D. R.	0.00	0.00
Total	**11,25,00,000**	**100.00**

xiii. Other Information:

Dematerialization of shares	Nearly 84.31% of total equity share capital (9,48,53,063 eq. shares) is held in dematerialized form with NSDL and CDSL as on 31st March 2022.
Registrar and Share Transfer Agent:	Bigshare Services Pvt. Limited. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, MUMBAI – 400 059. (MAH) Ph. No. 022-62638200, Fax No. 022-62638299
Plant Locations: Ugar Unit-Sugar, Distillery, Co-Generation Jewargi Unit –Sugar & Co-generation:	 UgarKhurd – 591 316. Tal. Athani Dist. Belgaum, Karnataka. Malli, Taluka – Jewargi, Dist- Kalaburgi, Karnataka.
Address for correspondence **Registered Office:**	The Ugar Sugar Works Limited. Mahaveernagar (Wakharbhag), Sangli 416416, Maharashtra State. Ph. No. 0233-2623717 Fax: 2623617 Email: usw.sangli@ugarsugar.com
Factory (Administrative Office)	The Ugar Sugar Works Limited. Ugarkhurd – 591 316. Tal. Athani, Dist. Belgaum, Karnataka State. Ph. No. 08339-274000 Fax: 272232 Email: helpdesk@ugarsugar.com Company Website: www.ugarsugar.com
Credit Rating	We have obtained credit rating from CRISIL. Our current Credit rating id CRISIL BB+/Stable (Reaffirmed

xiv. Other Information:

a) Compliance with Mandatory Requirements:

The Company is in compliance with all requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with all the requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, apart from above, there were no strictures or penalties imposed by either SEBI or Stock Exchange or any statutory authority, on any matter related to capital markets, during the last three years.

c) web link where policy for determining 'material' subsidiaries is disclosed: http://web.ugarsugar.com/Investor_Relations/Corporate_Governance/PolicyMaterialSubsidiary.pdf?child=14&parent=9

d) Disclosure of commodity price risks and commodity hedging activities.

The Company does not have any exposure to commodity risk except to the extent of its own production of sugar, the main product of manufacture of the Company. The prices of the products of the Company are market driven and is fixed based on the prevailing market price.

In respect of foreign exchange commitments the Company's operations are mainly in India and foreign exchange exposure is not substantial. Hence, no hedging has been made.

e) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

During the year the Company has not raised the funds through preferential allotment or qualified institutions placement.

f) 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.

The certificate of Practicing Company Secretary is annexed herewith as part of this Report.

g) Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required in the relevant Financial Year: Not Applicable.

h) total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Total fees paid to the Statutory Auditors and an entity in their network firm for all services received by the Company during the financial year 2021-22 is Rs.13.60 lakh and the statutory auditors of the Company do not have any network arrangement.

i) Non-Compliance of Any Requirement of Corporate Governance Report –NIL

j) outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity - NIL

k) the discretionary requirements as specified in Part E of Schedule II of Regulation 27(1): NIL

l) Adoption of the discretionary requirements as specified in Part E of Schedule II of Regulation 27(1), is being reviewed by the Board from time to time. The status is as under:

I. The Board

The Company has a non-executive chairperson. The Company allowed reimbursement of expenses incurred in performance of his duties.

II. Shareholder Rights

The quarterly/half-yearly results are published in the newspapers and hosted on the Company's website www.ugaesugar.com and are filed to the Stock Exchanges electronically through NEAPS portal on NSE and BSE listing Centre with BSE Limited. The same are not sent to shareholders individually.

III. Modified opinion(s) in the audit report

The Company strives toward ensuring unqualified financial statements. There are no qualifications to the Auditor's Report for the year under review.

IV. Separate posts of chairperson and chief executive officer /Managing Director:

The Company has different persons for the post of Chairman and Managing Director

V. Reporting of internal auditor

The Internal Auditors of the Company report directly to the Audit Committee.

m) The disclosures of the compliance with corporate governance requirements specified in regulation 17 to regulation 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 :

The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and Sub regulation (2) of Regulation 46 of the Listing Regulations.

n) Disclosures with respect to demat suspense account/ unclaimed suspense account:

1) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	No of Shareholder: 1056 No of outstanding Shares: 6,02,160 Equity Shares
2) number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Nil
3) number of shareholders to whom shares were transferred from suspense account during the year	Nil
4) the aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	No of Shareholder: 1056 No of outstanding Shares: 6,02,160 Equity Shares
5) 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 have been frozen

As per our seperate report attached.

Niraj S. Shirgaokar
Managing Director
(DIN: :00254525)

Chandan S. Shirgaokar
Managing Director
(DIN: 00208200)

Place : Sangli
Date : 23rd May 2022

Shrikanta V. Bhat
Manager-Finance
(ACA- 222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

CEO/ CFO Certificate:

To the Board of Directors of The Ugar Sugar Works Ltd.,

We, Mr. Niraj S. Shirgaokar and Mr. Chandan S. Shirgaokar, Managing Directors and S. V. Bhat, Manager Finance (CFO) of The Ugar Sugar Works Ltd. (As required under Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015), to the best of our knowledge and belief, hereby certify that:

(A) We have reviewed the Financial Statements and the Cash flow Statements for the year and that to the best of our knowledge and belief;

A.i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that may be misleading,

A.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 in violation 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 such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

(D) We have indicated to the auditors and the Audit Committee:

1. Significant changes in internal control over financial reporting during the year;
2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. 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.

Niraj S. Shirgaokar	**Chandan S. Shirgaokar**	**Shrikanta V. Bhat**
Managing Director	Managing Director	Manager-Finance
(DIN: 00254525	(DIN: 00208200)	(ACA-222060)

Place : Sangli
Date : 23rd May 2022

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,
The Ugar Sugar Works Limited,

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant in Regulation and 34(3) of Security Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 to further strengthen Corporate Governance practice in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March 2022.

	Niraj S. Shirgaokar	**Chandan S. Shirgaokar**
Place : Sangli	Managing Director	Managing Director
Date : 23rd May 2022.	(DIN: 00254525)	(DIN: 00208200)

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

(In Terms of Regulation 34(3) read with Schedule V Para C(10)(i) to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

The Members,
The Ugar Sugar Works Limited,
Mahaveer Nagar,
Sangli 416 416.

I hereby certify that, none of the directors on the Board of The Ugar Sugar Works Limited ("The Company") as an 31st March 2022,have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry Of Corporate Affairs, Government Of India (MCA).

We are issuing a certificate based on the following, which to the best of our knowledge and belief were considered necessary in this regard:

1. Our verification of the information relating to the directors available in the official web sites of MCA;
2. Our verification of the disclosures/ declaration / confirmations provided by the directors to the Company; and
3. Information, explanation and representation provided by the Company, its directors/ officers.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness of the corporate governance processes followed by the Company.

Abhay R. Gulavani
Practising Company Secretary
FCS: 10668; CP: 10741
UDIN : F010668D00363867
Peer Review Cert No 1841/2022

Place : Sangli
Date : 23rd May 2022

CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Members,
The Ugar Sugar Works Limited,
Mahaveernagar (Wakharbhag),
Sangli(MH)–416416

1. We have examined the compliance of conditions of corporate governance by The Ugar Sugar Works Limited ("the Company") for the year ended March 31, 2022 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.
3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. Based on our examination of the relevant records and according to the best of our information and explanations provided to us, we certify that the Company has complied with the conditions of regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations during the year ended March 31, 2022.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
9. The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and may not be suitable for any other purpose.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No. 117309
UDIN: 22117309AJMLVP7374

Place : Pune
Date : 23rd May 2022

INDEPENDENT AUDITORS' REPORT

To
The Members of
The Ugar Sugar works Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying standalone financial statements of The Ugar Sugar Works Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

We conducted our audit of the standalone 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 Standalone financial statementssection of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note D-18 to the Standalone Financial Statements, regarding additional performance incentive of 3% to a Managing Director and Rs. 3,00,000 to each Non-Executive Director and Independent Directors of the Company respectively for the year 2021-22 which is approved by the Nomination and Remuneration Committee and Board of Directors, is subject to approval of the Shareholders of the Company.

Our opinion is not modified in respect of the above matters

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters. For each matter below, our description of how our Audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the matter was addressed in the audit
1.	**Contingent Liability** The Company is involved in direct and indirect tax litigations of Rs. 1,486.74 Lakhs. The Company has also provided Corporate guarantee of Rs. 6,500 Lakhs to the Bankers for Harvesting and Transportation Loan. Whether the liability is recognized or disclosed as a contingent liability is inherently judgmental and dependent on assumptions and assessment. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. Therefore, it is considered to be a key audit matter. (Refer Note D(1) to Standalone Financial Statements)	Our procedures included, but were not limited to, the following: • Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. • Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. • Assessed management's discussions held with their legal consultants and understanding precedents in similar cases. • We verified the appropriateness of the accounting policies, disclosures related to provisions for sub judice matters and details of contingent liabilities in notes D(1) (b), (c) and (d) respectively in the Standalone financial statements
2.	**Valuation of Sugar Inventory** Manufacturing of Sugar is complex process which leads to generation of certain joint products and by products which are used for generation of other products, sold in the market as well as used as input in the manufacturing of Sugar. The valuation requires use of management's judgements and assumptions regarding elimination of inter-divisional profits, allocation of costs of production between joint products based on their relative sales value and net realisable value (NRV) of different products which is further dependent upon the market conditions, minimum selling prices, subsequent inventory sale data, current sale prices,	We applied the followingaudit procedures in this area, among others, to obtain sufficient appropriate audit evidence: • Evaluated the accounting policy of sugar inventory in terms of relevant accounting standard; • Tested the design, implementation and operating effectiveness of the Company's key controls over computation of cost of sugar inventory for each sugar mill; • Assessed the appropriateness of the principles used in the valuation of Inventory and analysed the reasonableness of significant judgements/ assumptions used by the management in their valuation models along with their consistency based on historical/industrial data trends such

Sr. No.	Key Audit Matter	How the matter was addressed in the audit
	notifications/press releases from the government authorities, technical estimates of expected recovery of final products being produced and incremental cost of products manufactured using joint products. These assumptions are subject to inherent uncertainties since they are likely to be influenced by nature and economic factors including uncertainties that may affect the industry on the whole Owing to the significance of the carrying value of Sugar inventories (Rs. 65,651.46 Lakhs), the complexities discussed above and the fact that any changes in the management's judgement or assumptions is likely to have a significant impact on the ascertainment of carrying values of inventories, we have considered this area as a key audit matter.	as sugar recovery rates, generation of Molasses and Bagasse. • Tested the cost sheet data of both Sugar Plant. We assessed the adequacy of the method used, relevance and reliability of data and the formula applied for determining the cost of sugar inventory. This included the basis of allocation of cost to by-products based on Net Realizable Value (NRV). In addition, we assessed the impact of notifications/ orders of the regulators on cost of sugar inventory. For cost of conversion, we assessed the impact of variability in seasonal factors including number of Sugarcane crushing days and recovery of sugar from cane. • Attended the Physical Inventory verification for the year ended 31st March 2022 and performed test counts at both the Sugar Plant.

Information Other than the Standalone 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Business Responsibility Report, but does not include the financial statements and our auditor's report thereon.

Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information is expected to be made available to us after the date of this auditor's report, hence our opinion is based on Standalone Financial Statements only.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Business Responsibility Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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.
- 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 tous:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended

a. The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Company during the year in respect for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend

As stated in note 44 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. 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, except as stated in Note No. D-18 of the financial statements read with the Emphasis of Matter paragraph in the report..

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AJMLLV9636

Pune, May 23 ,2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **THE UGAR SUGAR WORKS LIMITED** of even date)

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

We have audited the internal financial controls over financial reporting of The Ugar Sugar Works Ltd ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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 aspects, an adequate financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31 2022 except that there is scope for improvement in certain areas which require strengthening of controls 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. We have considered these weaknesses identified in determining the nature, timing and extent of audit tests applied in our audit of the Standalone Financial Statements of the Company for the year ended March 31, 2022, and these weaknesses do not affect our opinion on the Standalone Financial Statements of the company.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AJMLLV9636

Pune, May23, 2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of The Ugar Sugar Works Limited of even date)

i. (a) In Respect of records of property, plant and equipment and intangible assets

A The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

B The Company has maintained proper records showing full particulars of intangible Assets.

(b) According to the information and explanations given to us, Property, plant and equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification of Property, plant and equipment is reasonable.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as reported in note 1 of financial statements are held in the name of the Company.

(d) (a) In our opinion and according to the information and explanations given to us, The Company has not revalued its property plant and Equipment during the year. Accordingly, Clause 3(i)(d) of the Order is not applicable.

(e) (b) According to the information and explanations given to us by Management, No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, Clause 3(i)(e) of the Order is not applicable.

ii. (a) As informed to us, the physical verification of inventory has been conducted by the management at reasonable intervals. In our opinion the coverage and procedure of such verification by the management is appropriate and the no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.

(b) As informed to us during the year, the company has been sanctioned working capital limits in excess of five crore rupees, from banks on the basis of security of current assets; the quarterly statements filed by the company with such banks are in agreement with the books of account of the Company.

iii. i. Company has not provided any guarantee or security or granted any loans other than loans and advances to employees as per Company's policy or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii)(a), 3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f) of the Order is not applicable.

ii. With respect to reporting under 3(iii)(b) in respect of advances given to employees as per company's policy does not prima facie appears to prejudicial to the company's interest of the Company. Further as informed to us the Company has not provided any guarantees or not provided security in connection with the loan during the year. Accordingly, reporting with respect to Loans, Guarantees, securities in connection with the loan 3(iii)(b) of the Order is not applicable

iv. In our opinion and according to information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investments and loans and advances given to employees as per Company's policy. Further the Company has not given any guarantee or security in connection with a loan to any other body corporate or person. Further company has not given any loan to directors as per section 185 of the act.

v. In our opinion and according to the information and explanations given to us, in respect of deposits or amounts which are deemed to be deposits, the company has complied with the directives of the Reserve Bank of India and the provision of Sections 73 to 76 of the Companies Act 2013, and the rules framed there under, wherever applicable. As informed to us, no order has been passed against the Company, by the Company Law Board, the National Company Law Tribunal, RBI, or any court or any tribunal.

vi. The Central Government has specified maintenance of cost records under Sub-Section (1) of Section 148 of the Act and we are of the opinion that prima facie such records are made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

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

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they be came payable.

(B) Details of disputed amounts of statutory dues referred to in sub-clause (a) which have not been deposited as at March 31, 2022 on account of dispute are given below:

No.	Name of the Statute	Nature of the Dues	Amount Under Dispute (in Lakhs)	Period(s) to which the amount relate	Forum where such dispute is pending
1	Central Excise Act 1944	Cenvat Credit Demand Issues	14.61	2006-07	CESTAT, Bangalore
2	Central Excise Act 1944	Cenvat Credit Demand Issues	45.84	2007-08	CESTAT, Bangalore
3	Central Excise Act 1944	Cenvat Credit Demand Issues	15.36	2008-09	CESTAT, Bangalore
4	Central Excise Act 1944	Cenvat Credit Demand Issues	3.03	2010-11	CESTAT, Bangalore
5	Central Excise Act 1944	Reversal on Rectified Spirit Sold or transferred to IML	151.34	2008-13	CESTAT, Bangalore
6	Central Excise Act 1944	Cenvat Credit Demand Issues	26.65	2012-13	Commissioner of Central Excise, (GST) Belagavi
7	Central Excise Act 1944	Cenvat Credit Demand Issues	0.3	2014-15	Commissioner of Central Excise,(GST) Belagavi
8	Central Excise Act 1944	Cenvat Credit Demand Issues	14.08	2016-17	Commissioner of Central Excise,(GST) Belagavi
9	Central Excise Act 1944	Cenvat Credit Demand Issues	1.3	2015	Commissioner of Central Excise,(GST) Belagavi
10	Central Excise Act 1944	Cenvat Credit Demand Issues	61.55	2017-18	CESTAT, Bangalore
11	Central Excise Act 1944	Cenvat Credit Demand Issues	61.2	2017-18	CESTAT, Bangalore
12	Central Excise Act 1944	Cenvat Credit Demand Issues	91.47	Feb 2008 to Dec 2009	CESTAT, Bangalore
13	Central Excise Act 1944	Cenvat Credit Demand Issues	7.56	2017-18	Commissioner of Central Excise,(GST) Belagavi
14	Central Excise Act 1944	Cenvat Credit Demand Issues	2.5	2010-11	Commissioner of Central Excise,(GST) Belagavi
15	Income Tax Act 1961	Dispute of Tax u/s 115JB	189.53	AY 2012-13	Income Tax Appellate Authority Pune
16	Income Tax Act 1961	Dispute of Tax u/s 115JB	9.27	AY 2014-15	Income Tax Appellate Authority Pune
17	Income Tax Act 1961	Dispute of Tax u/s 115JB	0.79	AY 2016-17	CIT (A), Kolhapur
18	Income Tax Act 1961	Dispute of Tax u/s 148	440.65	AY 2013-14	Writ Petition filed with Bombay High Court
19	Karnataka Tax on Entry of Goods Act 1979	Entry Tax issues Commercial Taxes	20.14	AY 2011-12	Commissioner of Appeals Belagavi.
20	Central Excise Act 1944	Cenvat Credit Demand Issues	2.47	Oct 2014 to Aug 2015	Commissioner of Central Excise,(GST) Belagavi

* amounts are as per demand orders including penalty wherever quantified in the Order.

viii. In our opinion and according to the information and explanations given to us, there are no transactions which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly reporting under paragraph 3(viii)(a) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us by the Management, Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender

(b) In our opinion and according to the information and explanations given to us by the Management, Company is not declared as wilful defaulter by bank or financial institution or other lender

(c) In our opinion and according to the information and explanations given to us by the Management, term loans were applied for the purpose for which the loans were obtained

(d) In our opinion and according to the information and explanations given to us by the Management, funds raised on short term basis have not been utilised for long term purposes

(e) In our opinion and according to the information and explanations given to us by the Management, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us by the Management, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

xi. (a) As per information and explanations given to us, no fraud by the Company or on the Company been noticed or reported during the year nor have we been informed of any such case by the Management. Accordingly reporting under paragraph 3(xi)(a) of the Order is not applicable to the Company.

(b) As per information and explanations given to us, No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) As represented to us by the management, there are now histle blower complaints received by the company during the year

xii. In our opinion and according to the information and explanations given to us, The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business. However, there is a scope for improvement in area coverage.

(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. (a) According to the information and explanations given to us, and based on our examination of the records of the Company, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanations given to us, company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR)

(c) According to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) In our opinion, and according to the information and explanation given to us, in the group no companies forming part of the promoter/promoter group of the Company which are CICs

xvii. According to the information and explanations given to us, company has not incurred cash losses in the current financial year and in the immediately preceding financial year accordingly, reporting under paragraph 3(xviii) of the Order is not applicable.

xviii. There is no resignation of the statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable.

xix. In our opinion and 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 standalone financial statements, and our knowledge of the Board of Directors and management plans we are opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. (a) There is no unspent amount which was required to be transferred to a Fund specified in Schedule VII Companies act in compliance with second proviso to sub-section (5) of section

135 of the Companies act, Accordingly reporting under paragraph 3(xx)(a) of the Order is not applicable to the Company.

(b) There is no unspent amount under sub-section (5) of section 135 of Companies act pursuant to any ongoing project which was required to be transferred to special account in compliance with sub-section (6) of section 135 of the Companies act, Accordingly reporting under paragraph 3(xx)(b) of the Order is not applicable to the Company.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AJMLLV9636

Place : Pune
Date : May 23, 2022

Standalone Balance Sheet as at 31st March, 2022

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31st March 2022	*As At 31st March 2021*
ASSETS			
Non-current Assets			
Tangible Assets			
Property, plant and equipment	1A	11,698.36	*12,662.95*
Capital work in progress	1A	11,222.82	*259.61*
Investment property	1B	7.12	*7.56*
Intangible Assets			
Other Intangible assets	2	2.53	*2.80*
Financial assets			
Non - Current Investments	3	415.65	*420.53*
Non - Current Loans & Advances	4	3.50	3.50
Other non-current assets	6	612.13	*326.01*
Current Assets			
Inventories	7	76,948.56	*63,511.28*
Financial Assets			
Trade receivables	8	8,878.45	*4,927.65*
Cash and cash equivalents	9A	618.78	*536.02*
Bank balances other than above	9B	146.39	*128.69*
Other current financial assets	5	144.90	*125.68*
Current Tax Assets (Net)	10	231.55	*100.85*
Other current assets	11	5,298.93	*6,195.61*
Total		**1,16,229.67**	***89,208.74***
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	1,125.00	*1,125.00*
Other Equity	13		
Share Premium	13A	1,575.00	*1,575.00*
Retained Earnings	13A	7,076.74	*2,969.40*
Other Reserves	13A	2,267.58	*2,267.58*
Other Comprehensive Income	13B	20.51	*3.20*
Non-current Liabilities			
Financial Liabilities			
Long Term Borrowings	14A	12,410.12	*7,038.44*
Long Term Provisions	15A	364.41	*371.76*
Deferred tax liabilities (Net)	16B	906.77	*913.22*

Standalone Balance Sheet as at 31st March, 2022

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31st March 2022	*As At 31st March 2021*
EQUITY AND LIABILITIES			
Current Liabilities			
Financial Liabilities			
Short Term Borrowings	14B	51,558.21	*48,377.71*
Trade payables	17A		
Total outstanding dues of micro enterprises and small enterprises		81.03	*19.66*
Total outstanding dues other than micro enterprises and small enterprises		22,349.34	*11,517.08*
Other payables	17B		
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues other than micro enterprises and small enterprises		738.66	*209.97*
Other financial liabilities	18	6,918.94	*6,398.16*
Provisions	15B	1,367.22	*1,459.31*
Other current liabilities	19	7,470.14	*4,963.26*
Total		**1,16,229.67**	***89,208.74***
See accompanying notes forming part of the financial statements	A to D		

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

Shrikanta V. Bhat
Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

Standalone Statement of Profit and Loss Account for the year ending 31st March 2022

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Continuing Operations			
I Revenue From Operations	20	1,30,158.90	*1,11,796.48*
II Other Income	21	223.15	*585.20*
III **Total Income (I+II)**		**1,30,382.05**	***1,12,381.68***
IV Expenses			
(a) Cost of materials consumed	22A	98,413.84	*77,572.53*
(b) Other Manufacturing Expenses	22B	3,195.97	*2,219.92*
(c) Purchases of Stock-in-Trade	23	4,670.84	*3,930.52*
(d) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	24	(13,653.24)	*(4,320.56)*
(e) Employee benefits expenses	25	7,842.68	*6,948.12*
(f) Finance costs	26	4,353.85	*4,261.31*
(g) Excise Duty on Goods Sold		16,412.94	*16,245.12*
(h) Depreciation and amortization expense	27	1,147.20	*1,241.77*
(i) Other expenses	28	3,361.85	*2,422.87*
Total expenses (IV)		**1,25,745.93**	***1,10,521.58***
V Profit/(loss) before exceptional items and tax from continuing operations		4,636.12	*1,860.08*
VI Exceptional Items		–	–
Profit/(loss) before tax from continuing operations		**4,636.12**	***1,860.08***
Tax expense:			
(1) Current tax	16A	1,271.91	*309.18*
(2) MAT Credit entitlement for current year		–	–
(3) MAT Credit entitlement for earlier year		(952.36)	
(4) Deferred tax	16 A	(15.77)	*(154.35)*
Profit/(Loss) for the period		**4,332.34**	***1,705.25***
Other Comprehensive Income			
A. Other Comprehensive Income to be reclassified to profit or loss in subsequent periods			
(i) Items that will be reclassified to profit or loss		–	–
(ii) Income tax relating to items that will be reclassified to profit or loss		–	–
Net Other Comprehensive Income to be reclassified to profit or loss in subsequent periods		–	–

Standalone Statement of Profit and Loss Account for the year ending 31st March 2022

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	For the year ended 31st March 2022	*For the year ended 31st March 2021*
B. Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods			
(i) Items that will not be reclassified to profit or loss		26.62	*(21.82)*
(ii) Income tax relating to items that will not be reclassified to profit or loss	16A	(9.30)	*7.63*
Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods		17.32	*(14.19)*
Other Comprehensive Income (net of tax)		**17.32**	***(14.19)***
Total Comprehensive Income for the year (net of tax)		**4,349.66**	***1,691.06***
Earnings per share (Nominal Value per share Rs. 1)			
Basic computed on the basis of profit		3.85	*1.52*
Diluted computed on the basis of profit		3.85	*1.52*

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

Shrikanta V. Bhat
Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

Standalone Statement of Cash Flows For The Year Ended 31st March 2022

(Amount in Rs. Lakhs)

	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
A.	Net profit before tax and extraordinary items	4,636.12	1,860.08
	Adjustment for:		
	Depreciation and amortization expense	1,147.21	1,241.77
	Provision for Doubtful Debts	143.74	6.03
	Bad debts and Sundry Advances Written off	144.57	21.67
	Loss/Gain on Disposal/Adjustment of PPE	34.83	15.49
	Finance Costs	4,353.86	4,261.31
	Unrealised Loss on Units and Preference Shares	7.31	4.60
	Investment Income	(13.62)	(67.94)
	Operating profit before working capital changes	**10,454.02**	**7,343.01**
	Decrease/ (Increase) in trade receivables, advances and other assets	(3,700.01)	(2,970.09)
	Decrease/ (Increase) in Inventories	(13,437.27)	(4,734.60)
	Increase/ (Decrease) in trade payables , provisions and other liabilities	16,324.90	(7,462.30)
	Cash Generated from operations	9,641.64	(7,823.98)
	Direct Tax paid (Net of Refund)	(340.85)	49.14
	Cash flow before extraordinary items	9,300.79	(7,774.84)
	Extraordinary items	–	–
	Net cash from Operating activities	9,300.79	(7,774.84)
B.	Cash flow from investing activities		
	Purchase of property, plant and equipment	(13,154.35)	(611.77)
	Purchase / Sale of Investments	–	(1.04)
	Advance Given for Investment	–	(5.75)
	Interest and Dividend received	21.23	67.12
	Net cash from investing activities	-13,133.12	(551.44)
C.	Cash flow from financing activities		–
	Interest paid	(4,412.13)	(4,189.16)
	Proceeds / (Repayment) from long term borrowings (net)	5,371.69	4,855.23
	Proceeds / (Repayment) from short term borrowings (net)	3,180.53	7,318.13
	Dividend Paid	(225.00)	(112.50)
	Net cash from Financing activities	3,915.09	7,871.70
D.	Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	82.76	(454.58)
E.	Opening Cash and Cash equivalents	536.02	990.60
F.	Closing Cash and Cash equivalents	618.78	536.02

Notes to Cash Flow Statement

1 Cash Flow Statement has been prepared under indirect method as set out in Ind AS 7.

2 Purchase of property, plant and equipment includes movement in Capital Work in Progress and Capital Advances

3 Figures for the previous year have been regrouped where necessary

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

Shrikanta V. Bhat
Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

Statement of Changes in Other Equity For the year ended 31st March 2022

(Amount in Rs. Lakhs)

Particulars	Equity Share Capital	Reserves and Surplus			Items of OCI	Total
		Share Premium	General Reserve	Retained Earnings	Others	
As at 1st April 2020	1,125.00	1,575.00	2,267.58	1,376.65	17.39	6,361.62
Profit for the period				1,705.25		1,705.25
Acturial (Loss) Net of Tax					(14.19)	(14.19)
Less : Dividend for F.Y. 2019-20 paid during the year				(112.50)		(112.50)
Changes in accounting policy or prior period errors						
Restated balance at the beginning of the current reporting period						
As at 31st March 2021	**1,125.00**	**1,575.00**	**2,267.58**	**2,969.40**	**3.20**	**7,940.18**
Less : Dividend for F.Y. 2020-21 paid during the year				(225.00)		(225.00)
As at 1st April 2021						-
Profit for the period				4,332.34		4,332.34
Acturial (Loss) Net of Tax					17.32	17.32
Changes in accounting policy or prior period errors						
Restated balance at the beginning of the current reporting period						
As at 31st March 2022	**1,125.00**	**1,575.00**	**2,267.58**	**7,076.74**	**20.52**	**12,064.84**

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

Niraj S. Shirgaokar
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Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

Notes to Standalone financial statements for the year ended 31st March, 2022

Note No. 1 Tangible Assets

1A. Property Plant and Equipment

(Amount in Rs. Lakhs)

Particulars	Free hold Land	Building	Plant and Equipments (owned)	Office Equipments	Vehicles	Total Property Plant & Equipments	Capital Work in Progress
Cost or Valuation							
Balance as on 31 March 2020	433.50	3,514.52	45,018.40	494.95	955.38	50,416.75	84.54
Additions during 01 April 2020 to 31 March 2021	–	12.38	243.35	17.45	38.47	311.65	254.99
Disposal/Adjustment during 01 April 2020 to 31 March 2021	–	(28.75)	(53.73)	–	(13.10)	(95.58)	(79.92)
Balance as on 31 March 2021	**433.50**	**3,498.15**	**45,208.00**	**512.40**	**980.75**	**50,632.82**	**259.61**
Balance as on 31 March 2021	433.50	3,498.16	45,208.00	512.40	980.75	50,632.82	259.61
Additions during 01 April 2021 to 31 March 2022	–	1.17	152.76	27.84	34.34	216.11	11,182.83
Disposal/Adjustment during 01 April 2021 to 31 March 2022	–	–	(160.40)	(5.87)	–	(166.28)	(219.62)
Balance as on 31 March 2022	**433.50**	**3,499.33**	**45,200.36**	**534.37**	**1,015.09**	**50,682.65**	**11,222.82**
Accumulated Depreciation							
Balance as on 31 March 2020	–	2,214.17	32,896.20	445.44	807.65	36,363.46	–
Depreciation charge for the year ended 31 March 2021	–	78.58	1,091.58	22.00	44.59	1,236.75	–
Disposal/Adjustment during 01 April 2020 to 31 March 2021	–	(28.06)	(86.66)	-	(12.48)	(127.20)	–
Balance as on 31 March 2021	–	2,264.69	33,901.12	467.44	839.76	37,473.01	–
Depreciation charge for the year ended 31 March 2022	–	73.47	1,004.82	24.68	42.88	1,145.85	–
Disposal/Adjustment during 01 April 2021 to 31 March 2022	–	-	(125.59)	(5.87)	–	(131.46)	–
Balance as on 31 March 2022	–	**2,338.16**	**34,780.35**	**486.25**	**882.64**	**38,487.43**	–
Impairment of Assets							
Balance as on 31 March 2020	–	–	496.86	–	–	496.86	–
Change for the Year 2020-21	–	–	–	–	–	–	–
Balance as on 31 March 2021	–	–	496.86	–	–	496.86	–
Change for the Year 2021-22	–	–	–	–	–	–	–
Balance as on 31 March 2022	–	–	496.86	–	–	496.86	–
Net Book Value							
As on 31.03.2020	433.50	1,300.35	11,625.32	49.51	147.72	13,556.40	84.54
As on 31.03.2021	433.50	1,233.46	10,810.04	44.96	140.99	12,662.95	259.61
As on 31.03.2022	433.50	1,161.17	9,923.15	48.12	132.45	11,698.36	11,222.83

Aging Schedule for Capital-Work-in Progress (CWIP) and Intangible assets under Development as on 31st March 2022

Particulars	Amount of CWIP for a period of				Total
	Less than 1 Year	1-2 yeras	2-3 years	More than 3 yeras	
As on 31.03.2021	252.54	3.23	0.00	3.84	259.61
As on 31.03.2022	9,720.20	1,501.13	1.50	-	11,222.83

Notes to Financial Statements for the Financial Year Ended 31-03-2022

1B. Investment Property (Amount in Rs. Lakhs)

Particulars	Amount
Cost	
Balance as on 31 March 2020	29.82
Additions (subsequent expenditure) during 01 April 2020 to 31 March 2021	–
Balance as on 31 March 2021	29.82
Additions (subsequent expenditure) during 01 April 2021 to 31 March 2022	–
Balance as on 31 March 2022	29.82
Accumulated Depreciation	
Balance as on 31 March 2020	21.78
Depreciation charge for the year ended 31 March 2021	0.48
Impairment for the year ended 31 March 2021	–
Balance as on 31 March 2021	22.26
Depreciation charge for the year ended 31 March 2022	0.44
Impairment for the year ended 31 March 2022	–
Balance as on 31 March 2022	22.70
Net Book Value	
As at 31.03.2020	8.04
As at 31.03.2021	7.56
As at 31.03.2022	7.12

Note No. 2 Intangible Assets (Amount in Rs. Lakhs)

Particulars	Computer Software
Cost	
Balance as on 31 March 2020	203.53
Additions during 01 April 2020 to 31 March 2021	2.07
Adjustment/Disposals during 01 April 2020 to 31 March 2021	
Balance as on 31 March 2021	205.60
Additions during 01 April 2021 to 31 March 2022	0.64
Adjustment/Disposals during 01 April 2021 to 31 March 2022	–
Balance as on 31 March 2022	206.24
Accumulated Amortisation and impairment	
Balance as on 31 March 2020	198.26
Amortisation during 1 April 2020 to 31 March 2021	4.54
Impairment during 1 April 2020 to 31 March 2021	–
Balance as on 31 March 2021	202.80
Amortisation during 1 April 2021 to 31 March 2022	0.91
Impairment during 01 April 2021 to 31 March 2022	–
Balance as on 31 March 2022	203.71
Net Book Value	
As at 31 March 2020	5.27
As at 31 March 2021	2.80
As at 31 March 2022	2.53

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 3A : Non Current Investments (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Investments at Fair Value through Profit and Loss		
a. Investment in Mutual Funds		
42634.70 (40,837.91) Units of Rs. 10 each of UTI Balanced Fund (At NAV)	14.95	*12.52*
b. Investment in Preference Shares		
(ii) 4,75,000 (4,75,000) 10% Cumulative Redeemable Preference Shares of Rs. 100 each of Synergy Green Industries Ltd. (At Fair Value)	341.25	*348.56*
Investments at Cost		
a. Investment in Unquoted Preference Shares		
(i) 10,00,000 (10,00,000) 8% Cumulative Redeemable Preference Shares of Rs. 10 each of Ugar Quality Packaging Ltd.	100.00	*100.00*
b. Investment in Unquoted Equity Shares		
(i) 2274 (2,274) Equity Shares of Rs. 100 each of Ugar Theatres Pvt. Ltd.	48.68	*48.68*
(ii) 2,27,500 (2,27,500) Equity Shares of Rs. 10 each of Ugar Quality Packaging Pvt. Ltd.	22.75	*22.75*
(iii) 3,750 (3,750) Shares of Rs. 10 each of Sangli Urban Co-operative Bank Ltd.	5.00	*5.00*
(iv) 30 (30) Shares of Rs. 50 each of Dombivali Nagari Sahakari Bank	0.02	*0.02*
Sub-Total	**76.45**	***76.45***
Advance against Purchase of Shares		
(i) Dombivali Nagari Sahakari Bank	5.75	*5.75*
Sub-Total	**5.75**	***5.75***
Provision for diminution in value of investments	**(122.75)**	***(122.75)***
Total	**415.65**	***420.52***
Aggregate book value of quoted Investments	14.95	*12.52*
Aggregate market value of quoted Investments	14.95	*12.52*
Aggregate value of unquoted Investments	517.70	*525.01*
Aggregate amount of impairment in the value of Investments	(122.75)	*(122.75)*

Note No. 4A : Non Current Loans & Advances (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Advance to Trusts - Babukaka Shirgaokar Tech. Edu. Trust	3.50	*3.50*
Total	**3.50**	***3.50***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 5 : Other Current Financial Assets (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Accrued Interest on Bank Deposits & Advances	27.24	6.01
Security deposits with Government Authorities	53.00	55.01
Security Deposits other than Government Authorities	64.66	64.66
Considered Doubtful Deposit	28.00	28.00
Sub-Total	92.66	92.66
Less: Provision for Doubtful Deposit	28.00	28.00
Sub-Total	64.66	64.66
Total	**144.90**	***125.68***

Note No. 6 : Other Non Current Financial Assets (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Long Term Receivables (Unsecured, Considered Good)		
Indirect Tax Receivable (Paid under Protest)	21.74	42.45
Capital Advance Paid to Others	590.39	283.56
Security deposits with Government Authorities	–	–
Total	**612.13**	***326.01***

Note No. 7 - Inventories (Amount in Rs. Lakhs)
(Refer Note C (i) of Significant Accounting Policies)

Particulars	As on 31st March 2022	As on 31st March 2021
Raw material		
Crop in Progress	39.05	22.02
Other Raw Material	95.07	123.92
Work in Progress (at cost)	–	–
Sugar in Process	376.68	–
Molasses in process	39.47	–
Finished Goods		
Sugar, Molasses and Spirit	73,426.29	61,237.87
Bagasse- Own	1,374.83	956.60
Stock in Trade		
Petroleum Products	76.43	64.39
Stores, Spare Parts and Others	1,520.74	1,106.48
Total	**76,948.56**	***63,511.28***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 8 : Trade Receivables		(Amount in Rs. Lakhs)
Particulars	**As on 31st March 2022**	*As on 31st March 2021*
Trade Receivable		
Considered Good	8,878.45	*4,927.65*
Which have significant increase in credit risk (Doubtful)	–	*125.57*
Sub-Total	**8,878.45**	***5,053.22***
Less : Provision for Doubtful debts	–	*(125.57)*
Total Trade Receivables	**8,878.45**	***4,927.65***

Balance as at 31st March 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	8,522.09	221.43	76.24	34.37	24.32	8,878.45
(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	–	–	–	–	–	–
Total	**8,522.09**	**221.43**	**76.24**	**34.37**	**24.32**	**8,878.45**
Less : Provision for Doubtful debts	–	–	–	–	–	–
Total Trade Receivables	**8,522.09**	**221.43**	**76.24**	**34.37**	**24.32**	**8,878.45**

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Balance as at 31st March 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	4,618.62	141.13	147.23	1.15	19.52	4,927.65
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	125.57	125.57
(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	–	–	–	–	–	–
Total	**4,618.62**	**141.13**	**147.23**	**1.15**	**145.09**	**5,053.22**
Less : Provision for Doubtful debts	–	–	–	–	125.57	125.57
Total Trade Receivables	**4,618.62**	**141.13**	**147.23**	**1.15**	**19.52**	**4,927.65**

Note No. 9A : Cash & Cash Equivalents (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Cash in Hand	40.84	*15.12*
Balances with banks in Current Accounts	577.94	*520.90*
Total	**618.78**	***536.02***

Note No. 9B : Bank balances other than above (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Unclaimed Dividend Account	43.69	*30.68*
Balances in Term Deposits :		
- For Issue of bank gurantees	102.70	*98.01*
Total	**146.39**	***128.69***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 10 : Current Tax Assets (Net) (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Advance Payment of Taxes	2,887.04	2,366.79
MAT Credit Receivable	896.44	407.24
Sub-Total	**3,783.48**	**2,774.03**
Less : Tax Provision	(3,551.93)	(2,673.18)
Total	**231.55**	**100.85**

Note No. 11 : Other Current Assets (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Balances with Government Authorities	206.76	162.23
Advances to Cultivators and Cane-Growers		
Considered Good	1,423.35	1,379.70
Considered Doubtful	504.52	357.01
Sub-Total	**1,927.87**	**1,736.71**
Less: Provision for Doubtful Advances	(504.52)	(357.01)
Sub-Total	**1,423.35**	**1,379.70**
Advances to Employees	143.62	88.85
Advances for Capital Goods & Spares	2,720.22	58.55
Advances for Materials & Services	377.80	79.91
Advances for Others	269.31	75.80
Sub-Total	**3,510.95**	**303.11**
Subsidy Receivable from Government	–	3,765.92
Prepaid expenses	157.87	93.57
Interest Subvention - Receivable from Banks	–	491.08
Total	**5,298.93**	**6,195.61**

Note No. 12 : Share Capital

Authorised Share Capital (Amounts in Rs. Lakhs)

Particulars	Equity Shares No.	Equity Shares Amount in Rs.
At 31 March 2021	2,000.00	2,000.00
Increase during the year	–	–
(Decrease) during the year	–	–
At 31 March 2022	2,000.00	2,000.00

Notes to Financial Statements for the Financial Year Ended 31-03-2022

During the year there has not been any change in the Authorised Share Capital of Equity Shares.

Terms / Rights attached to the Equity Shares

(i) The Company has only one class of equity shares of face value of Re. 1. Each holder of equity share is entitled to one vote per share. Dividend recommended by the Board is subject to approval of the shareholders in ensuing General Meeting

(ii) In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of number of equity shares held by the shareholders

Issued Equity Capital (Amounts in Rs. Lakhs)

Particulars	No.	Amount in Rs.
Equity shares of Rs. 1 each issued, subscribed and fully paid up		
At 31 March 2021	1,125.00	*1,125.00*
Increase during the year	–	–
(Decrease) during the year	–	–
At 31 March 2022	1,125.00	*1,125.00*

Details of shareholders holding more than 5% shares in the company (Amounts in Rs. Lakhs)

Particulars	31st March 2022	*31st March 2021*
SB Reshellers Private Limited	197.04	*197.04*
Percentage Holding in the class	17.51	*17.51*

Note No. 13: Other Equity

Note No. 13 (A): Reserves and Surplus (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Securities Premium		
As per last Balance Sheet	1,575.00	*1,575.00*
Appropriation for the year	**1,575.00**	***1,575.00***
General Reserve		
As per last Balance Sheet	2,267.58	*2,267.58*
Appropriation for the year		
	2,267.58	***2,267.58***
Retained Earnings		
As per last Balance Sheet	2,969.40	*1,376.65*
Profit carried from Statement of Profit and Loss	4,332.34	*1,705.25*
Balance of Profit after adjustments	**7,301.74**	***3,081.90***
Less : Transfer to General Reserve for setting off	–	–
Less : Dividend for F.Y. 2020-21/ 2019-20 paid during the year	(225.00)	*(112.50)*
Balance Carried forward	**7,076.74**	***2,969.40***
Total	**10,919.32**	***6,811.98***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 13 (B): Other Comprehensive Income (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
As per last Balance Sheet	3.19	17.39
Add : For the Year	17.32	-14.19
Total	**20.51**	**3.20**

Note No. 14A : Long Term Borrowings (Amount in Rs. Lakhs)

Particulars	Effective Interest Rate	Maturity Date	As on 31st March 2022	As on 31st March 2021
Term Loans				
From Bank				
(i) Central Bank of India - Soft Loan for Payment of FRP (Secured)	1Year MCLR + 3.50%	Jun-24	1,499.36	3,123.66
(ii) Bank of Baroda - Soft Loan for Payment of FRP (Secured)	1Year MCLR +3.25%	Dec-23	500.00	984.50
(iii) Union Bank of India - Soft Loan for Payment of FRP (Secured)	1Year MCLR+4.40%	Jun-24	-	299.68
iv) Central Bank of India - Covid 2019 I	7.60%	Jun-22	13.54	1,821.55
v) Union Bank of India - Covid 2019 I	8.00%	Jun-22	113.29	608.84
vi) Bank of Baroda - Covid 2019 I	8.00%	Jun-22	-	691.01
vii) Central Bank of India - Emergency Credit Lending Scheme	1Year MCLR+2.70% + 0.20% with a cap of 9.25% p.a.	Feb-26	4,223.07	2,300.00
viii) Union Bank of India - Guaranteed Emergency Credit Line	1Year MCLR+0.60%	Mar-26	1,512.74	1,550.00
ix) Union Bank of India-Covid-3 Loan	1 Year MCLR +0.60%	Mar-28	1,950.00	-
x) Central Bank of India-Covid-3 Loan	1 Year MCLR+1.00%	Dec-27	1,747.00	-
xi) Central Bank of India-Bio-Refinery Loan	1 Year MCLR+2.65%	Dec-26	3,395.54	-
xii) Bank of Baroda -Emergency Grant Credit Loan- 21	1 Year MCLR + 1%	Jun-26	1,900.00	-
			16,854.54	**11,379.23**
			-	-
Less: Current maturities in respect of above loans disclosed seperately under Short Term Borrowings			4,444.42	4,340.80
Sub-Total			**12,410.12**	**7,038.43**
Total Long Term Borrowings			**12,410.12**	**7,038.43**

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Details of Secured Term Loans

(i) Central Bank of India - Soft Loan for Payment of FRP (Secured)

The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto June 2020. The loan is repayable in 48 monthly instalments of Rs.83.02 Lakhs each. The last instalment is due in June 2024.

(ii) Bank of Baroda - Soft Loan for Payment of FRP (Secured)

The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto June 2020. The loan is repayable in 18 quarterly instalments of Rs. 89.50 Lakhs each. The last instalment is due in March 2023.

(iii) Union Bank of India - Soft Loan for Payment of FRP (Secured)

The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto June 2020. The loan is repayable in 48 monthly instalments of Rs. 26.79 Lakhs each. The last instalment is due in June 2024.

(iv) Central Bank of India - Covid-2019 Loan

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured by all tangible movable property such as stock in trade and goods.. The loan is repayable in 18 monthly instalments of Rs. 129.17 Lakhs each. The last instalment is due in June 2022.

(v) Union Bank of India - Covid-2019 Loan

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured Primary by Hypothecation of Stock (other than Pledge) and receivables of the company and Collateral by extension of 1st pari passu charge on all fixed assets at Ugar and Jewargi . The loan is repayable in 18 monthly instalments of Rs. 41.67 Lakhs each. The last instalment is due in June 2022.

(vi) Bank of Baroda - Covid-2019 Loan

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured by Pledge of Sugar. The loan is repayable in 18 monthly instalments of Rs. 46.39 Lakhs each. The last instalment is due in June 2022.

(vii) Central Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2) Loan. The loan is secured by all tangible movable property such as stock in trade and goods. The loan is repayable in 48 monthly instalments of Rs.47.92 Lakhs each. The last instalment is due in February 2026.

(viii) Union Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2)Loan. The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. The loan is repayable in 48 monthly instalments of Rs.32.29 Lakhs each. The last instalment is due in March 2026.

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(ix) Bank of Baroada - Guaranteed Emergency Credit Line (BGECL - 2) Loan

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme(GECL - 2)Loan. The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.39.58 lakhs each. The last installment is due in June 2026.

x) Union Bank of India - Covid-UGECL 2.0 Extesnion

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme(UGECL - 2.0 Extension) Loan. The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.40.63 lakhs each. The last installment is due in Mar 2028.

xi) Central Bank of India - Bio-Refinery Loan

This loan was obtained for augmentation of ethanol production under the scheme of Govt. of India notified scheme"Scheme for Extending Financial Assistance to sugar mills for enhancement and augmentation of ethanal production capacity". The loan is secured by 1st pari pasu charge on all assets at Ugar and at Jewargi (including assets of new distillery unit). The loan is repayble in quarterly installments of Rs. 242.54 Lakhs. The Last installment of the loan being due in Dec 2026.

xii) Central Bank of India - Covid-CGECL 2.0 Extension

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (CGECL - 2.0 Extension) Loan. The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.36.40 lakhs each. The last installment is due in Dec.2027.

Note No. 14B : Short Term Borrowings (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Current Maturities of Long Term Debts - Secured		
From Banks	4,444.42	4,340.80
From Others	-	-
Interest accrued and due on borrowings	40.71	98.99
Working Capital Loans		
From Bank		
Cash Credit Hypothecation - (Central Bank Of India) (Secured)		
— Hypothecation of Stores	998.24	1,388.83
— ODBD	995.96	714.53
Cash Credit Pledge (Secured)		
Bank Of Baroda	5,661.92	6,749.02
Central Bank of India	19,860.27	14,014.53
Union Bank of India	14,580.36	12,956.55
Sangli Urban Co-op Bank Ltd.	1,001.61	1,007.76
Dombivli Nagari Sahakari Bank Ltd.	3,464.72	3,402.57
Book Overdraft	-	3,374.13
Fixed Deposit from Directors	510.00	330.00
Total	**51,558.21**	**48,377.71**

Note : Working capital loans are secured by hypothecation/Pledge of Company's stock of raw material , work in process, finished goods, consumable stores, spares, book debts, both present and future. The fund based limits are payable on demand to the Banks.

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 15A : Long Term Provisions (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Provision for Leave Salary	364.41	*371.76*
Total	**364.41**	***371.76***

Note No. 15B : Short Term Provisions (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Provisions for Employee Benefits		
Provision for Gratuity	1,331.07	*1,421.44*
Provision for Leave Salary	36.15	*37.87*
Total	**1,367.22**	***1,459.31***

Note No. 16 – Income Taxes

The major components of income tax expense for the years ended 31st March 2022 and 31 March 2021 are:

Note no. 16A. Statement of Profit and Loss

(i) Profit and Loss Section (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Current Income Tax :		
Current income tax charge	1,271.91	*309.18*
Adjustment in respect of current income tax of previous year	–	–
	1,271.91	*309.18*
Deferred Tax :		
Relating to origination and reversal of temporary differences	(15.77)	*(154.35)*
Income Tax expense reported in the statement of profit or loss	(15.77)	*(154.35)*
(ii) OCI Section		
Deferred Tax related to items recognised in the OCI during the year:		
Net gain/(loss) on remeasurement of defined benefit plans	(9.30)	*7.63*
Income Tax charged to OCI	**(9.30)**	***7.63***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 16B : Deferred Tax

Deferred Tax relates to the following : (Amount in Rs. Lakhs)

Particulars	Balance Sheet		Statement of Profit and Loss	
	31-Mar-22	*31-Mar-21*	**31-Mar-22**	*31-Mar-21*
Deferred Tax Liabilities				
On account of timing differences in -				
Depreciation	1,851.41	1,886.78	-35.37	*-20.60*
Less: Deferred Tax Assets				
On account of timing differences in -				
a. Provision for doubtful debts & advances	(187.05)	(179.38)	(7.67)	*(2.11)*
b. Disallowances under the Income Tax Act	(757.60)	(794.18)	36.57	*(139.27)*
	(944.65)	(973.56)	28.90	*(141.38)*
Total	**906.76**	**913.22**	**(6.47)**	**(161.98)**

Reflected in the Balance sheet as follows : (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Deferred Tax Assets	(944.64)	*(973.56)*
Deferred Tax Liabilities	1,851.41	*1,886.78*
Deferred Tax Liabilities (net)	**906.77**	***913.22***

Note No. 17 (A) : Trade Payables (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Total Outstanding Dues of Micro & Small Enterprises	81.03	19.66
Total Outstanding Dues of other than Micro & Small Enterprises	22,349.34	*11,517.08*
Total	**22,430.37**	***11,536.74***

Balance as at 31st March 2022 (Amount in Rs. Lakhs)

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	81.03	–	–	–	*81.03*
(ii) Others	21,059.05	1,128.35	51.82	62.41	*22,301.63*
(iii) Disputed dues – MSME	–	–	–	–	–
(iv) Disputed dues Others	–	–	–	47.71	*47.71*
Total	**21,140.08**	**1,128.35**	**51.82**	**110.12**	***22,430.37***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Balance as at 31st March 2021 (Amount in Rs. Lakhs)

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	19.66	–	–	–	19.66
(ii) Others	11,300.44	34.50	52.05	79.73	11,466.74
(iii) Disputed dues – MSME	–	–	–	–	–
(iv) Disputed dues Others	–	–	–	50.34	50.34
Total	**11,320.10**	**34.50**	**52.05**	**130.07**	**11,536.74**

Note No. 17 (B) : Other Payables (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Other Payables	483.47	*207.12*
Payable for Capital Goods	255.19	*2.85*
Total	**738.66**	***209.97***

Note No. 18 : Other Current Financial Liabilities (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Harvesters & Transporters Loan	6,059.38	*5,609.98*
Unclaimed Dividend	43.69	*30.68*
Unpaid Matured Deposits & Interest Accrued	2.55	*2.55*
Trade Deposits and Advances	179.55	*173.30*
Salaries, Wages, Bonus & Commission Payable	573.21	*571.89*
Contractors Retention	9.31	*1.69*
Other Payables - Employees	9.61	*8.07*
Kerala Opearations	41.64	–
Total	**6,918.94**	***6,398.16***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 19 : Other Current Liabilities (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Provision for Excise Duty on Finished Goods	169.95	456.50
Outstanding Expenses	6,339.71	3,127.23
Advance from Customers	513.41	813.54
Advance From Cultivators & Contractors	62.44	76.93
Statutory Dues Payable	384.63	489.06
Total	**7,470.14**	**4,963.26**

Note No. 20 : Revenue from Operations (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Continuing Operations		
Sale of Product		
a. Finished Goods		
Sugar/ Sugar Sachet	88,811.58	69,358.76
Rectified Spirit	2,428.93	2,533.71
Denatured Spirit	3,286.50	3,393.50
Potable Alcohol (including excise duty)	20,142.00	19,777.26
Electricity	4,866.03	4,437.75
b. Traded Goods		
Petroleum Products	4,769.59	4,065.69
c. By-Products & Others	3,500.89	3,673.99
Total Sale of Products	**1,27,805.52**	**1,07,240.66**
Other Operating Revenues		
Export Incentive on Sale of Sugar	2,353.38	4,555.82
Total	**1,30,158.90**	**1,11,796.48**

Note No. 21 A: Other Income (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Non Operating Revenues		
Sale of Services		
Machinery & Bullock Cart Hire Charges	4.44	0.67
Excess Provisions & Unclaimed Credit Balances		
Balances Written Back	2.03	196.98
Bad debts/Advance written off recovered	–	3.04
Others		
Insurance Claims/Refund Received	17.60	5.65
Profit on Sale of Scrap	61.77	153.31
Miscellaneous Receipts	69.34	107.08
Profit on Sale of Fixed Assets	0.24	–
Finance Income		
Dividend on Non - Trade investments	1.93	1.04
Interest on Advances, Bank Deposits and Others	65.26	117.43
Unrealised Gains on Units	0.54	–
Total	**223.15**	**585.20**

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 22 A : Cost of Material Consumed (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
A. Cost of Raw Material and Components		
01. Sugarcane		
Purchased	74,515.52	*58,130.58*
Harvesting & Transport	18,865.53	*15,548.06*
Cane Purchase and Development	409.36	*330.67*
Sub-Total	**93,790.41**	***74,009.31***
02. Other Raw Material		
Molasses	5,099.63	*4,557.71*
Malt	7.29	*6.66*
Rectified Spirit	1,176.22	*1,376.95*
Others	142.93	*6.37*
Sub-Total	**6,426.07**	***5,947.71***
Less : Inter-segment transfers	(6,260.97)	*(5,714.80)*
Sub-Total	**165.10**	***232.91***
B. Stores, Spares, Chemicals and Others	4,458.33	*3,330.32*
Total	**98,413.84**	***77,572.53***

Note No. 22 B : Other Manufacturing Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Power Fuel and Water	1,057.50	*755.09*
Repairs and Maintenance -Plant and Machinery	2,138.47	*1,464.83*
Total	**3,195.97**	***2,219.92***

Note No. 23 : Purchase of Stock in Trade (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Petroleum Products	4,670.68	*3,930.52*
Sugar/Sugar Sachets	0.16	–
Total	**4,670.84**	***3,930.52***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 24 : Changes in inventories of finished goods, Stock-in-Trade and work-in-progress

(Amount in Rs. Lakhs)

	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
1.	Inventory at the beginning of the year		
	a. Finished goods		
	i. Sugar, Molasses, Spirit etc		
	Sugar	56,189.06	49,406.76
	Rectified Spirit	599.32	844.48
	Potable Alcohol	1,813.87	1,247.78
	Molasses	2,534.39	5,133.62
	Others	105.44	113.80
		61,242.08	56,746.44
	ii. Bagasse -own	956.60	628.73
	Total	**62,198.68**	**57,375.17**
	b. Stock in Trade at the beginning of the year		
	Petroleum Products	64.39	76.12
		62,263.07	57,451.29
	Less : Excise duty on Opening inventory	1,478.32	987.10
	Value of Opening Inventory (net of Excise duty)	60,784.75	56,464.19
2.	Inventory at the end of the year		
	a) Finished goods		
	i. Sugar, Molasses, Spirit etc		
	Sugar	65,651.46	56,189.06
	Rectified Spirit	1,583.69	599.32
	Potable Alcohol	1,065.37	1,813.87
	Molasses	5,070.13	2,534.39
	Others	95.11	105.44
		73,465.76	61,242.08
	ii. Bagasse - own	1,374.83	956.60
	Total	**74,840.59**	**62,198.68**
Work-in-progress			
	Sugar in Process	376.68	-
	b) Stock in Trade at the end of the year		
	Petroleum Products	76.43	64.39
		75,293.70	62,263.07
Less : Excise duty on Closing Inventory		855.71	1,478.32
Value of Year Closing Inventory (net of Excise duty)		74,437.99	60,784.75
	Net (Increase)/Decrease in Inventories	**(13,653.24)**	**(4,320.56)**

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 25 : Employee Benefit Expenses (Amount in Rs. Lakhs)

	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
1.	Salaries, Bonus and Commission	5,355.85	4,806.54
2.	Remuneration to Employees employed by contractors	1,726.79	1,476.39
3.	Contribution to Provident and Other Funds	420.29	398.86
4.	Gratuity Expense	226.02	227.79
5.	Workmen and Staff Welfare	113.73	38.54
	Total	**7,842.68**	**6,948.12**

Note No. 26 : Finance Costs (Amount in Rs. Lakhs)

	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
1	Interest on debts and borrowings	4,143.51	3,932.93
2.	Other Finance Charges	210.34	328.38
	Total	**4,353.85**	**4,261.31**

Note No. 27 : Depreciation and Amortization Expense (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Deprecation of Tangible Assets	1,145.85	1,236.75
Amortization of Intangible Assets	0.91	4.54
Depreciation of Investment Properties	0.44	0.48
Total	**1,147.20**	**1,241.77**

Note No. 28 : Other Expenses (Amount in Rs. Lakhs)

	Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
1.	Administrative Expenses		
	Repairs and Maintenance of Buildings	136.78	142.70
	General Repairs and Maintenance	602.08	503.38
	Insurance	125.32	118.55
	Rent	105.76	88.85
	Rates and Taxes	324.17	225.35
	Bank Charges	3.89	3.65
	Printing and Stationery	15.54	12.21
	Travelling and Conveyance	51.96	21.11
	Motor Car/ Other Vehicle Expenses	137.12	77.24
	Assets Written off	34.83	15.49
	Directors Sitting Fees	23.42	16.30
	Commission to Non-Executive Directors	36.00	–
	Legal & Consultation Expenses	168.77	113.92
	CSR Expenditure	26.53	–

Notes to Financial Statements for the Financial Year Ended 31-03-2022

	Payment to Auditors (Refer details below)	17.40	*16.17*
	Bad debts and Sundry Advances Written off	144.57	*21.67*
	Provision for Doubtful Debts and Advances	143.74	*6.03*
	Unrealised Loss on Preference Shares	7.31	*4.61*
	Donations	5.00	*3.50*
	Miscellaneous	211.48	*158.55*
		2,321.67	***1,549.28***
2.	Selling and Distribution Expenses		
	Freight and Selling Expenses	838.91	*712.41*
	Commission to Selling Agents and representatives	187.17	*143.41*
	Advertisements	14.10	*17.77*
		1,040.18	***873.59***
	Total	**3,361.85**	***2,422.87***

Payment to Auditors (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Statutory Auditors :		
As Auditors:		
Audit fees	6.00	6.00
Tax Audit fees	1.50	1.50
Limited Review fees	4.50	*4.50*
In other capacity:		
Taxation matters	–	–
Company Law matters	0.05	*0.05*
Other services (Certification fees)	0.10	*0.10*
Reimbursement expenses	1.45	*0.17*
	13.60	*12.32*
Cost Auditors :		
As Auditors:		
Audit fee	2.30	*2.30*
In other capacity:		
Reimbursement expenses	–	–
	2.30	*2.30*
Secretarial Auditors :		
As Auditors:		
Audit fee	1.50	1.50
In other capacity:		
Certification fees	–	*0.05*
Reimbursement expenses	–	–
	1.50	*1.55*
Total	**17.40**	***16.17***

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

1. CORPORATE INFORMATION

Incorporated on 11-09-1939, The Ugar Sugar Works Ltd. (CIN-L15421PN1939PLC006738) is one of the leading sugar factories in Karnataka. Its shares are listed on two stock exchanges BSE and NSE. The registered office of the company is located at Mahaveer nagar, Sangli. The Company is engaged in manufacture and sale of sugar, industrial and potable alcohol, and generation and distribution of electricity. The Company's plants are located at Ugarkhurd in Belagavi District and at Malli-Nagarhalli Village in Kalburgi District in the state of Karnataka.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) COMPLIANCE WITH IND AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

(b) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative financial instruments) that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The principle or the most advantageous market must be accessible by the company. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and the best use. The company uses its valuation techniques that are approximate in the circumstances and for which data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

- Level 3 inputs are unobservable inputs for the asset or liability.
- For assets and liabilities that are recognised in the financial statements on recurring basis the company determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company management determines the policies and procedures for recurring and non-recurring fair value measurement. Involvement of external valuers is decided upon annually by the company management

At each reporting date the Company's management analyses the movements in the values of the assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies.

(c) CURRENT AND NON- CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non–current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. An asset is treated current when it is :

- Expected to be realized or intended to be sold or consumed in normal operating cycle. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months (12 months) after reporting date
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non – current.

A liability is current when:

- It is expected be settled in a normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settle within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The company classifies all other liabilities as non - current. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(d) ROUNDING OF AMOUNTS

The financial statements including notes thereon are presented in Indian Rupees ("Rupees "or "Rs."), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless stated otherwise.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(e) USE OF ESTIMATES

In preparing the Company's financial statements in conformity with Ind AS, the Company's management is required to make estimates, judgements and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, the actual results could differ from those estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialized and if material, their effects are disclosed in the notes to the financial statements.

(f) PROPERTY, PLANT AND EQUIPMENT (PPE) and OTHER INTANGIBLE ASSETS:

Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods or services or for administrative purposes are stated at cost less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price / manufacturing cost (in case of self-constructed asset), net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

Depreciation is provided (other than on capital work-in-progress) using Written down Value method over the estimated useful lives of assets. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement. The estimated useful lives of assets are stated below:

Particulars	Useful Life(in years)
Building	3 to 60
Plant and Equipment	1 to 40
Furniture and Fixtures	1 to 10
Vehicles	8 to 10
Office Equipment	1 to 13
Investment Property – Building	3 to 60

The Company, based on technical assessment made by management estimate, depreciates certain items of Plant, Property and Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. This assessment takes into account nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

Freehold land is not depreciated.

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

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired, if any, in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss if any. Internally generated intangibles excluding capitalized development costs are not capitalized and the related expenditure is reflected in statement of profit and loss in the year in which expenditure is incurred.

Amortization is recognized on Straight Line Method basis over their estimated useful life of 3 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

As summary of amortization policies applied to the Company's acquired intangible assets is given as under.

INVESTMENT PROPERTIES

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss if any.

The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the profit or loss as incurred.

The company depreciates building component of investment property over years from the date of original purchase / date of capitalisation.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are derecognised either when they have been disposed or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The difference between net disposal proceeds and carrying amount of the asset is recognised in the profit or loss in the period of de-recognition.

Depreciation on building is provided over its useful life as mentioned above using the written down value method as per the provisions of Schedule II to the Companies Act, 2013.

(g) LEASES

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. 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. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

As a lessee

The Company accounts for each lease component within the contract as lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

As a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

(h) IMPAIRMENT OF NON- FINANCIAL ASSETS(TANGIBLE AND INTANGIBLE)

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash generating unit to which an individual asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit or Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

increased carrying amount does not exceed the carrying amount that would have determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized immediately in the Statement of Profit or Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Impairment losses of continuing operations including impairment on inventories are recognised in the statement of profit and loss except for properties previously revalued with revaluation surplus taken to OCI. For such properties the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(i) INVENTORIES

Inventories are valued as follows:

Raw materials, stores and spares, Material in transit, packing materials, crops in progress and Petroleum products

The Raw materials, stores and spares, Material in transit, packing materials, crops in progress and Petroleum products valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on Moving Weighted Average basis.

Cost comprises costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Molasses, molasses in process, own Bagasse and scrap are valued at net realisable value.

Finished goods

Valued at lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods excludes excise duty. Excise duty is provided on manufacture of goods, which are not exempt from the payment of duty.

Work-in-process

Valued at lower of cost up to estimated stage of process and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

By-products

By-products are valued at net realizable value. Inter-unit transfers of by- products also include the cost of transportation, duties, etc.

(j) REVENUE RECOGNITION

With effect from 1st April 2018 Ind AS 115 pertaining to Revenue from Contracts with Customers has replaced the earlier revenue recognition standard Ind AS 18 revenue recognition. Ind AS 115 applies to contract with customer and establishes principles on reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from such contracts with customer. The Company has adopted modified retrospective approach. As per the approach entities will recognise

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

cumulative effect initially applying Ind AS 115 as an adjustment to the opening balance of equity at the date of initial application. Since the impact of the same was immaterial same has not been considered in the books of the company. This Ind AS does not deal with revenue from lease contracts, insurance contracts, financial instruments and other contractual rights and obligations. It also scopes out non – monetary exchanges between entities in similar business to facilitate sale to customers or potential customers. Revenue recognition is based on the five step revenue recognition model.

- Identifying the contract with customer.
- Identifying the performance obligations in the contract.
- Determining the transaction price.
- Allocation of transaction price.
- Recognition of revenue when (or as) a performance obligation is satisfied.

Each distinct goods or service that an entity promises to transfer is a performance obligation.

The Company adjusts the promised amount of consideration for the effects of time value of money if payment by the customer occurs either significantly before or significantly after the performance. The interest income or interest expense resulting from a significant financing component is presented separately from revenue, unless interest income represents ordinary activity.

Considering the nature of business of the entity, accounting for warranties prescribed by the standard is not applicable to the Company.

Contract modifications are accounted for as either separate or as a part of the existing contract depending on the nature of the modification.

Costs to obtain contracts and fulfil the contracts are recognised as assets. Such recognized assets are amortised over the period that the performance obligation is satisfied and are periodically reviewed for impairment. Costs Recognition is subject to the following clause fulfilment:

- Costs are directly related to a contract or specific contract and;
- Costs generate or enhance resources used in satisfying performance obligation and;
- Entity expects to recover the costs.

Income from services is recognised as they are rendered (based on agreement/arrangement with the concerned customers).

Revenue in respect of insurance / other claims, interest, subsidy, incentive, etc. is recognized only when it is reasonably certain that the ultimate collection will be made.

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(k) INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

(l) GOVERNMENT GRANTS AND ASSISTANCE

Grants and subsidies from Government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them and (ii) the grant/subsidy will be received.

When the grant subsidy relates to revenue, it is recognized as income on a systematic basis on the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are reduced from the gross book value of property, plant and equipment.

When company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as government grant. The loan or assistance is initially recognized and measured at fair value and government grant is measured as the difference between initial carrying value of the loan and proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. Currently the Company does not have any grant/assistance that qualifies for such accounting treatment.

(m) FOREIGN CURRENCIES

The financial statements are presented in Indian rupees, which is also the functional currency of the Company.

Transactions and Balances

Transactions in currencies other than the Company's functional currency are recognized at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date. Exchange rate differences arising on settlement or translation of monetary items are recognized in profit and loss statement.

Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined (in case measured at fair value). The gain/ loss on the change of fair value of item (i.e. translation differences on items whose fair value or loss is recognized on OCI (other comprehensive income) or profit or loss are also recognized in OCI or profit or loss, respectively).

Foreign exchange differences are recognized in profit or loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(n) INVESTMENTS

The Company has measured its investments at Cost except for following:

(i) Investments in Mutual Fund are valued at fair market value using NAV as on 31st March 2022.

(ii) Investment in Preference shares of Synergy Green Industries Ltd is valued at fair market value using discounted cash flows.

(o) EMPLOYEE BENEFITS

Short Term Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Other Long Term Employee Benefits

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long-term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

Post Employment Benefits

(i) Defined Contribution Plans

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The Company is maintaining separate trust for Provident Fund and recognises such contributions made to the trust as expense of the year in which the liability is incurred.

(ii) Defined Benefit Plans

The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to Gratuity Fund and the Company recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

(p) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

the borrowing cost eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(q) INCOME TAX

Current income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or statement of profit and loss.

Deferred Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are accepted to apply when the related deferred and income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(r) PROVISIONS

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

CONTINGENT LIABILITIES

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(s) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Initial Recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories :

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 Business Combinations applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Investment in equity shares, compulsorily convertible debentures and compulsory convertible preference shares of subsidiaries, associates and joint ventures have been measured at cost less impairment allowance, if any.

De- recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through 'arrangement; and either:

a) The Company has transferred substantially all the risks and rewards of the asset, or

b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from Contracts with Customers.

d) Loan commitments which are not measured as at FVTPL

e) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivables balance and historical experience. Individual trade receivables are written off when management deems them not to be collectable.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income /expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts:ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk is recognized in OCI. These gains / loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss or allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

The Company on a contract by contract basis, elects to account for financial guarantee contracts, as a financial instrument or as an insurance contract, as specified in Ind AS 109 of Financial Instrument and Ind AS 104 on Insurance Contracts. For insurance contract, the Company performs a liability adequacy test (i.e. assesses the likelihood of any pay–out based on current discounted estimates of future cash flows), and any deficiency is recognised in statement of profit and loss.

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

De-recognition

A financial liability is de -recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Foreign exchange gains and losses

Financial liabilities denominated in a foreign currency are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in away similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets and liabilities

The Company determines 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. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

in the statement of profit and loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The forward currency contracts are used as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

iii) Foreign exchange forward contract

While the Company entered into other foreign exchange forwards contract with the intention of reducing the foreign exchange risk of expected sales and purchases, these other contract.

(t) NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale.

(u) DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(v) CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(W) EARNINGS / (LOSS) PER SHARE

Basic earnings / (loss) per share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for any bonus shares, share splits or reverse splits issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors. For the purpose of calculating diluted earnings / (loss) per share, the net profit / (loss) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, share splits or reverse splits as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date.

(x) SEGMENT REPORTING

The Company's Segment predominantly based on Sugarcane based produce and allied activities. The Operational Segments constitute of Sugar, Industrial Alcohol, Potable Alcohol, Co –

Generation and Petroleum products Sale. As regards to Geographical Segments , the segments are located at Ugarkhurd and Jewargi. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance management. Segment performance is evaluated based on profit or loss and is measured consistently with the profit and loss of standalone statements.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted by the Company, with the following additional policies for segment reporting:

(i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market led.

(ii) Segment Revenue, Segment Expenses, Segment Assets and Segment Liabilities have been identified to segments on reasonable basis of their relationship to the operating activities of the segment from the internal reporting system.

(iii) Gains/losses from transactions in commodity futures, which are ultimately settled net, with/without taking delivery, are recorded as 'Other revenues' under the Sugar segment.

(iii) Revenue, Expenses, Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, has been included under "Unallocated".

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(y) RESEARCH AND DEVELOPMENT

Research Costs are expensed as incurred. Expenditure on Research is considered as cost for valuation of inventory and expenditure related to capital asset is grouped with property plant and equipment under appropriate head and depreciation is provided at the applicable rate. The Company will recognize development expenditure as intangible assets when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life. Amortisation is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

z) SUBSIDIES RECEIVED

Subsidies received towards specific fixed assets are reduced from gross book value of the concerned fixed assets. Subsidies received relating to revenue expenditure is deducted from related expense.

(aa) CONSOLIDATION OF ACCOUNTS

Ugar Theatre Pvt. Ltd. is a Subsidiary company. hence consolidation of accounts as per the provisions of Ind AS 110 and other relevant provisions of the Companies Act, is considered.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note No. C-2, the Management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies :

The following are the critical judgements, apart from those involving estimations, that the Management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Notes to Standalone Financial Statement for the Financial Year Ended 31st March 2022

NOTE C : CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the cash-generating unit. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise.

Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the management has determined that no changes are required to the useful lives of assets.

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	Financial Year 31st March 2021
Note D: Other Information		
1 Contingent Liabilities not provided for		
Claims against the Company not acknowledged as debts		
a. Excise Duty / Service Tax, Liability Disputed	395.26	395.26
b. Income Tax, Liability Disputed	957.34	199.59
c. Sales Tax, Liability Disputed	20.14	20.14
d. "Corporate Guarantees given to the Bankers for loans given to the Harvesting & Transport Contractors - (The due date for repayment of the loans shall be 12 months from the first disbursement)."	6,500.00	7,900.00
e. Bank Guarantee	1,000.00	1,000.00
In relation to matters mentioned in point no a, b and c above ,the Company has filed appeals before appropriate appellate authorities. Future cash outflow, if any, in respect of the following matters are determinable only on receipt of judgments/decisions pending at various stages before the appellate authorities. The matters in which the management is not certain that same would be resolved in favor of the Company, has been adequately provided. Further, in relation to certain matters mentioned in point b, the Company has received the demand notice from the Authority and the appeal is yet to be filed by the Company.		
2 Commitments		
a. Estimated amounts of contracts remaining to be executed \ on capital account	820.30	824.96
Other Committment		
b. Uncalled Capital pertaining to investments*	0.50	0.50
The Company is subscriber to the memorandum (50% share capital) of the "USW Spirits Pvt. Ltd") incorporated on 17th Feb, 2021). However, the allotment of shares is pending till 31 March 2022. USW Spirits Pvt. Ltd has not made any call in respect of said subscription of shares.		
3 Value of imports calculated on CIF basis		
Machinery Spares	–	–
4 Expenditure in foreign currency		
a. Travelling	3.28	–
5 Earning per share		
a. Profit after tax as per the Profit & Loss Account	4,332.34	1,705.25
b. Weighted average of No. of Shares	1,125.00	1,125.00
c. Basic and Diluted Earning per share of Nominal Value of Rs.1/- each	3.85	1.52

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	Financial Year 31st March 2021
Note D: Other Information		
6 Future Minimum Lease Rentals in respect of Buildings		
a. Given on lease		
i. Receivable within one year	11.12	8.41
ii. Receivable between one year and five years	35.69	8.37
iii. Receivable after five years	14.71	24.36
b. Taken on lease		
i. Payable within one year	21.72	36.93
ii. Payable between one year and five years	–	20.80
iii. Payable after five years	–	–
The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.		
7 Value of Imported and Indigenous Raw Material Consumed and percentage thereof to total consumption		
a. Value		
Imported	–	–
Indigenous	93,955.51	74,242.21
b. Percentage		
Imported	–	–
Indigenous	100%	100%
8 Value of Raw Material Consumed in Note B-27 includes additional cane price relating to earlier season/s	–	–
9 Segment Reporting		
I. Primary Segment Information (Business Segments)		
Revenue		
External Operating Income		
Sugar (Including Export Incentive on Sale of Sugar)	94,601.16	77,301.12
Electricity	4,866.03	4,438.00
Petrol Pump	4,769.59	4,065.69
Industrial Alcohol	5,732.47	5,940.94
Potable Alcohol	20,189.65	20,050.72
Total	**1,30,158.90**	**1,11,796.47**
Inter-segment Sales		
Sugar	16,969.98	12,911.65
Electricity	11,889.40	8,822.05
Industrial Alcohol	2,484.49	2,089.50
Total	**31,343.87**	**23,823.20**

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*
Note D: Other Information		
Total Revenue		
Sugar	1,11,571.14	*90,212.77*
Electricity	16,755.43	*13,260.05*
Petrol Pump	4,769.59	*4,065.69*
Industrial Alcohol	8,216.96	*8,030.44*
Potable Alcohol	20,189.65	*20,050.72*
Total	**1,61,502.77**	***1,35,619.67***
Segment Reporting		
II Primary Segment Information(Business Segments)		
Segment Results (Gross)		
Sugar	10187.73	*5335.21*
Electricity	2548.66	*2924.87*
Petrol Pump	69.26	*87.62*
Industrial Alcohol	698.28	*542.88*
Potable Alcohol	(50.88)	*409.69*
Total	**13,453.05**	***9,300.27***
Less: Unallocated Corporate Expenses	4,686.22	*3,764.07*
Operating Profit	**8,766.83**	***5,536.20***
Less:		
Finance Costs	4,353.85	*4,261.31*
Other Income	(223.14)	*(585.19)*
Profit from Ordinary Activities	4,636.12	*1,860.08*
Exceptional Items	–	–
Profit before tax	4,636.12	*1,860.08*
9 Segment Reporting		
III. Primary Segment Information (Business Segments)		
Segment Assets		
Sugar	83,407.05	*73,099.53*
Electricity	8,562.34	*6,226.90*
Petrol Pump	98.56	*67.54*
Industrial Alcohol	16,162.09	*2,083.10*
Potable Alcohol	2,560.54	*3,479.10*
Subtotal	**1,10,790.58**	***84,956.17***
Add: Unallocated Corporate Assets	5,439.10	*4,252.53*
Total	**1,16,229.68**	***89,208.70***
Segment Liabilities		
Sugar	31,638.68	*20,181.97*
Electricity	686.36	*530.22*
Petrol Pump	4.05	*3.50*
Industrial Alcohol	1,149.26	*102.28*
Potable Alcohol	385.70	*579.43*
Subtotal	**33,864.05**	***21,397.40***
Add: Unallocated Corporate Liabilities	70,300.79	*59,871.13*
Total	**1,04,164.84**	***81,268.53***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*
Note D: Other Information		
Capital Expenditure		
Sugar	339.71	*122.68*
Electricity	5.76	*8.91*
Industrial Alcohol	10,768.49	*250.30*
Potable Alcohol	0.07	*57.45*
Unallocated	65.92	*49.44*
	11,179.95	***488.78***
Segment Reporting		
IV Primary Segment Information (Business Segments)		
Depreciation and Amortisation		
Sugar	684.93	*748.56*
Electricity	276.43	*299.30*
Petrol Pump	0.07	*0.02*
Industrial Alcohol	66.74	*73.67*
Potable Alcohol	11.85	*8.90*
Unallocated	107.18	*111.32*
Total	**1,147.20**	***1,241.77***
Non-cash expenses other than depreciation		
Sugar	–	–
Electricity	–	–
Petrol Pump-	–	–
Industrial Alcohol	–	–
Potable Alcohol	–	–
Total	–	–

V The Company does not have any Secondary Reportable Segments.

VI Significant Accounting Policies relating to Segment Reporting

a. Business Segments are determined on the basis of the goods manufactured and in accordance with Ind AS 108.

b. Inter-segment transfers are recorded at cost except for own generated Bagasse and Molasses, cost of which is unascertainable and which are recorded at Net Realisable Value.

c. Segment report is prepared in conformity with accounting policies adopted for preparing and presenting financial statements.

d. "Information about major customers

Revenues (net of indirect taxes) for the year ended March 31, 2022 includes revenues aggregating to approximately Rs.30723.37 Lakhs (March 31, 2021 – Rs.30920.20 Lakhs) from Company's 5 large customers."

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*

Note D: Other Information (Contd...)

13 Disclosure with respect to IND AS-19

The Company has implemented Revised Accounting Standard - IND AS 19 on Employee Benefits and made the provisions accordingly. The disclosure as per revised IND AS-19 are produced below:

a. Gratuity

In accordance with the applicable laws, the Company provides for gratuity, a defined retirement plan (Gratuity Plan) covering all staff, workers and officers. The Gratuity Plan provides for, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a Gratuity Trust which in turn mainly contributes to Life Insurance Corporation of India (LIC) for this purpose. Under this plan, the settlement obligation remains with the Gratuity Trust. LIC administers the plan and determines the contribution premium required to be paid by the Trust. The Company has also obtained an independent actuarial valuation of the Trust's Assets and Liabilities, and accordingly, the difference has been provided by the Company. The gratuity liability has been paid by the Company in case of employees, who left during the current period.

Particulars	Financial Year 31st March 2022	Financial Year 31st March 2021
Defined Contribution Plan:		
Contribution to Defined Contribution Plan, recognised and charged off for the year are as under:		
Employer's contribution to Superannuation Fund	30.00	*32.06*
Employer's contribution to Pension Scheme	151.17	*154.93*
Defined Benefit Plan:		
The Employees' Gratuity Fund Scheme managed by Life Insurance Corporation of India is a defined benefit plan.		
I. Changes in present value of obligations (PVO):		
PVO at the beginning of the period	3,157.72	*3,114.32*
Interest Cost	202.34	*204.11*
Current Service Cost	140.49	*138.31*
Past Service Cost (non vested cost)		
Past Service Cost (vested cost)	-	-
Benefits Paid	(275.47)	*(312.42)*
Actuarial (gain) / loss on obligation	(23.47)	*13.40*
PVO at the end of the period	3,201.61	*3,157.72*

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars		Financial Year 31st March 2022	Financial Year 31st March 2021
Note D: Other Information (Contd...)			
II	Interest Expenses		
	Interest Cost	202.34	*204.11*
III	Fair Vale of Plan Assets		
	Fair value of Plan Assets at the beginning	1,736.28	*1,692.36*
	Interest Income	116.81	*114.62*
IV	Net Liability at beginning of period		
	PVO at beginning of period	3,157.72	*3,114.32*
	Fair Value of the Assets at beginning report	1,736.28	*1,692.36*
	Net Liability at the beginning of period	1,421.44	*1,421.96*
V	Net Interest		
	Interest Expenses	202.34	*204.11*
	Interest Income	(116.81)	*(114.62)*
	Net Interest	85.53	*89.49*
VI	Actual Return on Plan Assets	119.97	*106.21*
	Interest income included above	116.81	*114.62*
	Return on plan assets excluding interest income	3.16	*-8.41*
VII	Actuarial (Gain)/Loss on obligation		
	Due to Demographic Assumption	–	–
	Due to Financial Assumption	(84.62)	*43.15*
	Due to Experience	61.16	*(29.74)*
	Total Actuarial (Gain)/Loss	(23.46)	*13.41*
VIII	Fair Value of Plan Assets		
	Opening Fair Value of Plan Asset	1,736.28	*1,692.36*
	Adjustment to the opening fund	–	–
	Return on Plan Assets excl. interest income	3.16	(8.41)
	Interest Income	116.81	*114.62*
	Contributions by Employer	51.25	*50.00*
	Contributions by Employee	–	–
	Benefits Paid	(36.97)	*(112.28)*
	Fair Value of Plan Assets at end	1,870.53	*1,736.28*
IX	Past Service Cost Recognised		
	Past Service Cost-(non vested benefits)		
	Past Service Cost-(vested benefits)	–	–
	Average remaining future service till vesting of the benefit.		
	Recognised past service cost -non vested benefits		
	Recognised past service cost - vested benefits	–	–
	Unrecognised Past Service Cost-non vested benefits		

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars		**Financial Year 31st March 2022**	*Financial Year 31st March 2021*
Note D: Other Information (Contd...)			
X	Amount to be recognised in the Balance Sheet and Profit and Loss Account.		
	PVO at end of period	3,201.61	*3,157.72*
	Fair Value of Plan Assets at end of period	1,870.53	*1,736.28*
	Net Asset/(Liability) recognised in the Balance Sheet	1,331.08	*1,421.44*
XI	Expense recognised in the statement of P & L A/c.		
	Current Service Cost	140.49	*138.31*
	Net Interest	85.53	*89.49*
	Past Service Cost-(non vested benefits)		
	Past Service Cost-(vested benefits)		
	Curtailment Effect		
	Settlement Effect		
	Unrecognised Past Service Cost -non vested benefits		
	Expense recognised in the statement of P & L A/c.	226.02	*227.79*
XII	Other Comprehensive Income (OCI)		
	Actuarial (Gain)/Loss recognised for the period	(23.47)	*13.40*
	Asset limit effect	–	–
	Return on Plan Assets excluding net interest	(3.15)	*8.42*
	Unrecognised Actuarial (Gain)/Loss from previous period	–	–
	Total Actuarial (Gain)/Loss recognised in (OCI)	(26.62)	*21.82*
XIII	Movements in the Liability recognised in Balance Sheet.		
	Opening Net Liability	(1,421.44)	*(1,421.96)*
	Adjustment to opening balance	–	–
	Expenses as above	(226.02)	*(227.79)*
	Benefits Paid by Company	238.51	*200.14*
	Contribution paid	51.25	*50.00*
	Other Comprehensive Income(OCI)	26.62	*-21.82*
	Closing Net Liability	(1,331.08)	*(1,421.44)*
XIV	Schedule III of The Companies Act 2013		
	Current Liability	1,331.08	*1,421.44*
XV	Projected Service Cost 31 March 2022	131.28	*131.27*
	Unrecognised Actuarial (Gain)/Loss from previous period		
	Average remaining future service till vesting of the benefit		

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	Financial Year 31st March 2021
Note D: Other Information (Contd...)		
XVI Asset Information		*Total Amount*
Cash and Cash Equivalents		
Gratuity Fund(LIC of India)	1,870.53	*1,736.28*
Debt Security(Gvt.Bond)		
Equity Securities -Corporate debt securities		
Other Insurance contracts		
Property		
Total itemized Assets	1,870.53	*1,736.28*
XVII Assumptions as at:		
Mortality		
Interest / Discount Rate	7.10%	*6.70%*
Rate of increase in compensation	6.00%	*6.00%*
Rate of return (expected) on plan assets	6.70%	*6.90%*
Expected average remaining service (In Years)	8.43	*10.62*

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary.

Particulars	Financial Year 31st March 2022	Financial Year 31st March 2021
b. Provident Fund		
I. Changes in Present Value of expected interest rate short fall.		
Present value of expected interest rate shortfall as at the beginning of the period	8140.22	*7,901.34*
Acquisition Adjustment		–
Interest Cost	506.30	*511.40*
Past Service Cost	0	*8.38*
Current Service Cost	242.80	*215.89*
Curtailment Cost/(Credit)		
Settlement Cost/(Credit)		
Benefits Paid	(1166.96)	*(979.48)*
Actuarial (Gain)/Loss on obligations.	(104.25)	*(72.19)*
Present value of expected interest rate shortfall as at the end of the period.	8175.30	*8,140.22*
II Changes in Fair Value of plan assets.		
Fair value of plan assets at the beginning of the period.	8221.15	*7,951.16*
Acquisition Adjustment.		
Interest Income	534.41	*536.09*
Contributions		
Amount transferred to cover shortfall		
Amount paid on settlement		

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*
Note D: Other Information (Contd...)		
b. Actuarial Gain/(Loss) on plan assets	237.38	*97.43*
Fair value of plan assets at the end of the period.	8503.22	*8,221.15*
III Actuarial Gain/Loss recognised.		
Actuarial (Gain)/Loss for the period-obligation	8175.30	*8,140.22*
Actuarial (Gain)/Loss for the period-plan assets	8503.22	*8,221.15*
Total (Gain)/Loss for the period	327.92	*80.93*
Actuarial (Gain)/Loss recognised in the period.	327.92	*80.93*
Unrecognised actuarial Gain/Loss at the of period.		
IV The amount to be recognised in the Balance Sheet.		
Present value of expected interest rate shortfall as at the end of the period.	-	-
Fair value of the plan assets at the end of the period. (Surplus	-	-
Account)	221.08	*180.52*
Surplus/(Deficit)	49.82	*80.93*
Unrecognised actuarial (Gain)/Loss	-	-
Net asset/(liability) recognised in the Balance Sheet.	49.82	*80.93*
V Amount recognised in Statement of Other Comprehensive Income		
Opening amount recognised in OCI outside profit & loss account	(13.53)	*22.52*
Remeasurement for the period -Obligation (Gain)/Loss	10.63	*82.05*
Remeasurement for the period -Plan Assets(Gain)/Loss	(237.38)	*-97.43*
Total remeasurement cost/(credit) for the period recognised in OCI	(226.75)	*-15.37*
Closing amount recognised in OCI outside profit & loss account	(240.28)	*7.14*
VI Expenses recognised in the statement of profit & loss		
Current Service Cost	242.80	*215.89*
Acquisition (Gain)/Loss		
Past service cost		
Net Interest (Income) /Expense	(28.11)	*-24.69*
Curtailment (Gain)/Loss		
Settlement (Gain)/Loss		
Net periodic benefit cost recognised in the statement of profit & loss at the end of the period.	214.69	*191.20*

Notes to Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	Financial Year 31st March 2021
Note D: Other Information (Contd...)		
VII Total Expenses recognised in the Statement Of Profit & Loss		
Expenses recognised in the statement of Profit & Loss with with respect to expected interest rate shortfall	214.69	*191.20*
Expense relating to the contributions made by the employer	242.80	*215.89*
Total (Income)/expense at the end of period.	(28.11)	*(24.69)*
VIII Assumptions as at:		
Mortality		
Interest/Discount Rate	7.10%	*6.70%*
Interest rate declared by EPFO for the period.	8.10%	*8.50%*
Yield Spread	1.50%	*1.50%*
Expected Rate of Return on plan asset	6.70%	*6.90%*
Expected average remaining working lives of employees (in years)	19.01	*15.71*

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note D: Other Information (Contd...)

Disclosure of Related Parties & Related Party Transactions :

I	**Related party over which control exists**	**Nature of relationship**
i	Ugar Theatres Pvt. Ltd.,	... Subsidiary (100%)

II Names of the related parties with whom transactions were carried out during the year and description of relationship

1	**Key Management Personnel (KMP)**	**Designation**
I	Shri. Niraj Shishir Shirgaokar	... Managing Director (MD)
II	Shri. Chandan Sanjeev Shirgaokar	... Managing Director (MD)
III	Shri.Shrikanta V.Bhat	... Manager Finance
iv	Shri.Tushar V.Deshpande	... Company Secretary

2 Relatives of Key Management Personnel

	Name of the transacting related party	**Nature of relationship**
I	Shri. Shishir Suresh Shirgaokar	... Father of MD-Shri.Niraj S. Shirgaokar
II	Sou. Savita Shishir Shirgaokar	... Mother of MD-Shri.Niraj S. Shirgaokar
iii	Sou. Asawari Niraj Shirgaokar	... Wife of MD-Shri. Niraj S. Shirgaokar
iv	Shri. Arjun Niraj Shirgaokar	... Son of MD-Shri. Niraj S. Shirgaokar
v	Kum. Anjini Niraj Shirgaokar	... Daughter of MD-Shri. Niraj S. Shirgaokar
vi	Smt. Radhika Sanjeev Shirgaokar	... Mother of MD-Shri.Chandan S. Shirgaokar
vii	Sou. Geetali Chandan Shirgaokar	... Wife of MD-Shri. Chandan S. Shirgaokar
viii	Kum. Swara Chandan Shirgaokar	... Daughter of MD-Shri. Chandan S. Shirgaokar
ix	Shri. Sohan Sanjeev Shirgaokar	... Director & Brother of MD-Shri.Chandan S. Shirgaokar
x	Sou. Gouri Sohan Shirgaokar	... Wife of Director-Shri. Sohan S. Shirgaokar.
xi	Sanjeev Suresh Shirgaokar-HUF	... Smt.Radhika S. Shirgaokar is the Mother of MD Shri. Chandan S. Shirgaokar
xii	Gyanshree Enterpreises	... Smt.Radhika S. Shirgaokar is the Properitor and Mother of MD Shri. Chandan S. Shirgaokar

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note D: Other Information (Contd...)

3 Enterprises over which KMP or Relatives of KMP are able to exercise significant influence

	Name of the related party	Nature of relationship
i	S. B. Reshellers Pvt. Ltd.	... Shri.R.V.Shirgaokar-Brother of Director, Shri. P.V. Shirgaokar-Director, Shri. Shishir Shirgaokar Chairman, Shri.Niraj Shirgaokar-MD, Shri.Chandan Shirgaokar MD, Shri.Sachin Shirgaokar and Shri. Sohan Shirgaokar are the Directors.
ii	Sangli Fabricators Pvt Ltd	... Shri. Shishir Shirgaokar-Chairman, Shri.Chandan Shirgaokar-MD, Shri.Sachin Shirgaokar & Shri. Sohan S. Shirgaokar-Director's are Designated Partners.
iii	Tara Tiles Pvt Ltd.	... Chairman Shri.Shishir Shirgaokar, Director Shri. P. V. Shirgaokar, Shri. Sachin R. Shirgaokar and Sohan S. Shirgaokar are Directors.
iv	Ugar Pipe Industries Pvt. Ltd.	... Chairman Shri. Shishir S. Shirgaokar, MD- Shri. Chandan S. Shirgaokar, and Director Shri. P.V.Shirgaokar are Director.
v	D.M. Shirgaokar Enterprises (LLP) Pvt. Ltd.	... Chairman Shri. Shishir S. Shirgaokar, MD-Shri.Chandan S. Shirgaokar, Director Shri. Sohan S. Shirgarokar and Smt. Radhikar S. Shirgaokar are the Partners.
vi	Shishir Shirgaokar Enterprises (LLP) Pvt. Ltd.	... Chairman Shri. Shishir s. Shirgaokar, MD-Shri.Niraj S. Shirgaokar, Wife of Chairman and Mother of MD Mrs. Savita S. Shirgaokar and wife of MD Mrs. Asawari N. Shirgaokar are the Designated Partners.
vii	Suresh Shirgaokar Enterprises (LLP) Pvt. Ltd.	... Chairman Shri. Shishir S. Shirgaokar, MD-Shri.Niraj S. Shirgaokar, Director Shri. Sohan S. Shirgaokar, Mother of Director & MD Smt.Radhikar S. Shirgaokar, Wife of MD Mrs. Geetali C. Shirgaokar and Wife of Director Shri.Sohan S. Shirgaokar Mrs. Gauri Sohan Shirgaokar are the Designated Partners.
viii	Sanjeev Shirgaokar Enterprises (LLP) Pvt. Ltd.	... MD-Shri.Chandan S. Shirgaokar, Director Shri. Sohan S. Shirgaokar and Mother of both Smt. Radhika S. Shirgaokar is Designated Partners.
ix	V. S. Shirgaokar Enterprises (LLP)	... Shri.R.V.Shirgaokar-Brother of Director, Shri.P.V.Shirgaokar-Director, Shri.Sachin R. Shirgaokar, Mrs. Smita P. Shirgaokar is the Wife of Director P.V.Shirgaokar and Mrs. Laxmi S. Shirgaokar is the wife of Sachin R. Shirgaokar are the Directors.
x	Prafulla Shirgaokar Enterprises (LLP)	... Shri.R.V.Shirgaokar-Brother of Director, Shri.P.V. Shirgaokar- Director, Mrs. Smita P. Shirgaokar is the Wife of Director Shri. P.V.Shirgaokar are the Directors.
xi	Synergy Green Industries Ltd.	... Chairman-Shri. Shishir S. Shirgaokar, MD-Shri. Chandan S. Shirgaokar, Directors Shri.Sachin R. Shirgaokar, Shri.Sohan S. Shirgaokar and Dr. M.R.Desai are Directors.

Notes to Financial Statements for the Financial Year Ended 31-03-2022

NOTE D: Other Information (contd...)

Disclosure of Related Parties & Related Party Transactions for the period ended on 31.03.2022

(Amount in Rs. Lakhs)

Sr. No.	Nature of Transaction	Subsidiary Companies		Key Management Personnel		Relatives of KMP		Related Parties referred to in 3 above		Total	
		2021-22	*2020-21*	2021-22	*2020-21*	2021-22	*2020-21*	2021-22	*2020-21*	2021-22	*2020-21*
1	Remuneration Paid (incl Commission)	—	—	585.27	*571.83*	—	—	—	—	585.27	*571.83*
2	Sitting Fees Paid	—	—	—	—	4.05	*2.70*	—	—	4.05	*2.70*
3	Purchase of Plant & Machinery & Spares	—	—	—	—	—	—	477.79	*394.41*	477.79	*394.41*
4	Sales - Others/ Consultancy	—	—	—	—	—	—	7.14	*4.42*	7.14	*4.42*
5	Exempted Deposits From Directors	—	—	250.00	*250.00*	40.00	*11.98*	—	—	290.00	*261.98*
6	Deposits Refunded/ Paid	—	—	150.00	—	—	—	—	—	150.00	—
7	Interest Paid	—	—	11.77	*7.64*	3.80	*2.91*	—	—	15.57	*10.55*
8	Dividend Received	—	—	-		—	—	—	—	—	—
9	Dividend Paid	—	—	1.89	*0.90*	6.91	*3.35*	56.28	*25.97*	65.08	*30.22*
10	Warehousing Charges / Rent Paid	2.51	*2.51*	—	—	44.16	*44.16*	—	—	46.67	*46.67*
11	Advance in the nature of reimbursement	—	—	61.87	*7.97*	—	—	—	—	61.87	*7.97*
12	Advance adjusted against reimbursement/ Repaid	—	—	23.04	*9.30*	—	—	—	—	23.04	*9.30*
13	**Outstanding Balances as on 31.03.2022**									—	—
	Payables Cr	2.57	*1.64*	1.69	*1.14*	—	*0.29*	8.64	—	12.90	*3.07*
	Receivables Dr	—	—	0.40	*0.52*	0.86	*0.86*	29.17	7.38	30.43	*8.76*
	Total	**5.08**	***4.15***	**935.93**	***999.30***	**99.78**	***66.25***	**579.02**	***432.18***	**1,619.81**	***1,501.88***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Ratios Analysis

S. No.	Ratios	Famulae	Ended 31st March 2022	*Ended 31st March 2021*	Deviation (%)	Reason for variance (where change is more than 25%)
1	Current Ratio	Current Asset/ Current liabilities	1.02	*1.03*	(0.97)	*
2	Debt-Equity Ratio	Total Debt/Equity	5.30	*6.98*	(24.07)	*
3	Debt Service Coverage Ratio	Earning before Interest, Tax, Depreciation/ (Interest+Principal)	0.60	*0.64*	-6.47	*
4	Return on Equity Ratio	Net Income/ Average Shareholder Equity	0.43	*0.24*	81.63	Current year ratio is increased due to increase in the Profit for the Current year.
5	Inventory Turnover Ratio	Revenue from operation/Average Inventory { (Closing Inventory+Opening Inventory)/2}	61.62	*63.60*	(3.11)	*
6	Trade Raceivables Turnover Ratio	Total Sales/Average Accounts Receivable {(Closing Accounts Receivable+Opening Accounts Receivable)/2}	16.51	*31.62*	(47.78)	Trade receivables turnover has been decreased on account not better collection even though increased in the sales
7	Trade Payable Turnover Ratio	Net Credit purchases/Average account payable	5.98	*4.26*	40.29	Improvement in trade payable turnover ratio is attributable to higher credit purchases on the one hand and lower average trade payable on the other hand indicating quicker payment of dues to creditors.
8	Net Capital Turnover Ratio	Net annual sales/ Shareholders Equity	63.88	*37.25*	71.49	Majorly due to significant increase in sales compared to previous year.
9	Net Profit Ratio	(Net profit Margin Revenue-Cost)/ Revenue	0.04	*0.02*	114.31	More remunerative sales mix with the share of sugar segment revenue being higher has contributed to improved net profit
10	Return on Capital Employed	EBIT/Capital employed	0.35	*0.39*	-7.99	*
11	Return on		3.54	*4.77*	-25.67	Mainly due to increase in the

*Variance is less than 25%

Notes to Financial Statements for the Financial Year Ended 31-03-2022

NOTE D : Other Information (contd...)

12 The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small enterprises as at 31-03-2022 :

S.No.	Description	31-03-2022 Rs. Lakhs	*31-03-2021 Rs. Lakhs*
i	Principal amount remaining unpaid to such suppliers as at the year end.	81.03	*19.66*
ii.	Interest due thereon remaining unpaid to the suppliers as at the year end.	–	–
iii.	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	–	–
iv.	Amount of interest due and payable for the period of delay in making payment (which have been paid, but beyond the appointed day, during the year), but without adding the interest specified under the Act.	–	*0.06*
v.	Amount of interest accrued during the year and remaining unpaid at the year end.	–	*0.06*
vi.	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	–	–

13. Disclosure required as per clause 32 of the Listing Agreement:

SI. No.	Name of the Company	Loans & Advances		Investments	
		Amount outstanding as at 31.03.2022	Maximum Balance Outstanding during the year	In Equity Shares amount outstanding as at 31/03/2022	In Equity Shares amount outstanding as at 31/03/2021
	Subsidiary				
i.	Ugar Theatres Pvt. Ltd.	2.57	2.57	48.68	*48.68*

Note:

i. There are no loans and advances in the nature of loans to firms / companies in which Directors of the Company are interested.

14. FINANCIAL INSTRUMENTS

14.1 Capital Management:

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to

Notes to Financial Statements for the Financial Year Ended 31-03-2022

NOTE D : Other Information (contd...)

maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debt. The capital structure of the Company consists of debt and total equity of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

14.1 Categories of financial instruments:

(Amount in Rs. Lakhs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2022	***March 31, 2021***	**March 31, 2022**	***March 31, 2021***
FINANCIAL ASSETS				
Fair value through Profit and Loss Account (FVTPL)				
Investments	356.21	*361.08*	356.21	*361.08*
Amortised Cost				
Investments	59.45	*59.45*	59.45	*59.45*
Non-Current Assets				
Security Deposit	64.66	*64.66*	64.66	*64.66*
Loans and advances	3.50	*3.50*	3.50	*3.50*
Current Assets				
Trade receivable	8878.45	*4927.65*	8878.45	*4927.65*
Cash in hand	40.84	*15.12*	40.84	*15.12*
Balance with banks in current account	577.94	*520.90*	577.94	*520.90*
Bank balances other than above	146.39	*128.69*	146.39	*128.69*
FINANCIAL LIABILITIES				
Accrued Interest On Bank Deposits	27.24	*6.01*	27.24	*6.01*
Amortised cost				
Non-Current Liabilities				
Borrowing	12,410.12	*7,038.43*	12,410.12	*7,038.43*
Current liabilities				
Short-term Borrowing	51,558.21	*48,377.71*	51,558.21	*43,937.90*
Trade and other payables	23,169.03	*11,746.69*	23,169.03	*11,746.69*
Other Financial Liabilities	6,918.94	*6,398.16*	6,918.94	*10,837.95*

Notes to Financial Statements for the Financial Year Ended 31-03-2022

NOTE D : Other Information (contd...)

The following methods and assumptions were used to estimate the fair values:

The fair value of Trade Payables, Trade Receivables, Cash and Cash Equivalents, Other Bank Balances, Accrued interest and short term borrowings are reasonable approximation of fair value due to the short-term maturities of these instruments.

14.2 Fair Value Measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Ind AS 113 – Fair Value Measurement.

14.3 Financial Risk management framework

The Company is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Inventory Price Risk

The Company is exposed to the movement in price of principle finished product i.e. Sugar. Price of sugarcane is fixed by government. Generally, sugar production is carried out during sugarcane harvesting period from November to March. Sugar is sold throughout the year which exposes the sugar inventory to the movement in price. Company monitors the sugar price on daily basis and formulates the sales strategy to achieve maximum realisation.

Interest Rate Risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rate gives rise to interest rate risk. Almost all borrowings of the Company have fixed interest rate and therefore the risk of interest rate change is not material to the Company.

Credit Risk:

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Outstanding customer receivables are regularly monitored. The Company maintains its cash and cash equivalents and deposits with banks having good reputation and high quality credit ratings.

In addition, the Company is exposed to credit risk in relation to deposits related to lease premises. These deposits are not past due or impaired.

Notes to Financial Statements for the Financial Year Ended 31-03-2022

NOTE D : Other Information (contd...)

Liquidity Risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturity of financial assets and liabilities:

The following tables analyses the Company's financial liabilities with agreed repayment periods and companies expected maturity for its financial assets. In case of financial liabilities, the amount disclosed in the tables below are contractual undiscounted cash flows based on the earliest date on which the Company can be required to pay and in case of financial assets, the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets:

(Amount in Rs. Lakhs)

Particulars	31st March 2022					
	Less than 3 months	3 to 6 months	6 month to 1 year	Between 1 and 2 year	More than 2 years	Total Mar 2022
Financial Assets						
Non – derivative						
Non-Current Assets						
Investments					415.65	415.65
Security Deposit			–		64.66	64.66
Loans and advances				3.50		3.50
Current Assets						
Trade receivable	8,522.09		221.43	76.24	58.69	8878.45
Cash in hand	40.84					40.84
Balance with banks in current account	577.94					577.94
Bank balances other than above	43.69	–	–	102.70		146.39
Accrued Interest On Bank Deposits	27.24	–	–	–	–	27.24
Financial Liabilities						
Non-Current Liabilities						
Long term Borrowing				3934.21	8475.91	12410.12
Current liabilities						
Short-term Borrowing	48251.71	1092.84	2213.66			51558.21
Trade Payable	21140.08			1128.35	161.94	22430.37
Other Financial Liabilities	6918.94					6918.94

Notes to Financial Statements for the Financial Year Ended 31-03-2022

NOTE D : Other Information (contd...)

(Amount in Rs. Lakhs)

Particulars	March 31, 2021					
	Less than 3 months	**3 to 6 months**	**6 month to 1 year**	**Between 1 and 2 year**	**More than 2 years**	**Total Mar 2021**
Financial Assets						
Non – derivative						
Non-Current Assets						
Investments				420.52		*420.52*
Security Deposit			–	64.66	64.66	
Loans and advances				3.50		*3.50*
Current Assets						
Trade receivable	4618.62	141.13		147.23	20.67	*4927.65*
Cash in hand	15.12					*15.12*
Balance with banks in current account	520.90					*520.90*
Bank balances other than above	30.68	–	–	98.01		*128.69*
Accrued Interest On Bank Deposits	6.01	–	–	–	–	*6.01*
Financial Liabilities						
Non-Current Liabilities						
Borrowing				2831.48	4206.96	*7,038.44*
Current liabilities						
Short-term Borrowing	80.38	80.37	138.93		48078.03	*48377.71*
Trade Payable	11320.10			34.50	182.14	*11536.74*
Other Financial Liabilities	6398.16					*6398.16*

15. Taxes on income

The major components of Income Tax Expense for the year ended March 2022 and March 2021 are:

(i) Statement of Profit or Loss

(Amount in Rs. Lakhs)

Particulars	**March 31, 2022**	**March 31, 2021**
Current Tax	1,271.91	*309.18*
MAT Credit entitlement for earlier year	(952.36)	–
Deferred Tax	(15.77)	*(154.35)*
Total Income Tax Expense	303.78	*154.83*

Notes to Financial Statements for the Financial Year Ended 31-03-2022

NOTE D : Other Information (contd...)

(ii) Other Comprehensive Income

(Amount in Rs. Lakhs)

Particulars	March 31, 2022	*March 31, 2021*
Deferred Tax relating to Net Gain/(Loss) on re-measurement of defined benefit plans	(9.30)	*7.63*

(iii) Movement of deferred tax **(Amount in Rs. Lakhs)**

Particulars	31-03-2022			
	Opening Balance	Recognised in profit and (Loss)	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(1886.78)	35.38		(1851.40)
Subtotal of Deferred Tax Liabilities	(1886.78)	35.38	–	(1851.40)
Tax effect of items constituting deferred tax assets				
Provisions	179.38	7.66	–	187.04
Other Items	794.18	(27.28)	(9.30)	757.60
Subtotal of Deferred Tax Asset	973.56	19.62	(9.30)	944.64
Net Deferred Tax Asset/ (Liabilities)	(913.22)	15.76	(9.30)	(906.76)

(Amount in Rs. Lakhs)

Particulars	31-03-2021			
	Opening Balance	Recognised in profit and (Loss)	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(1907.38)	20.60	–	(1886.78)
Subtotal of Deferred Tax Liabilities	(1907.38)	20.60	–	(1886.78)
Tax effect of items constituting deferred tax assets				
Provisions	177.27	2.11	–	179.38
Other Items	654.91	131.64	7.63	794.18
Subtotal of Deferred Tax Asset	832.18	133.75	7.63	973.56
Net Deferred Tax Asset/ (Liabilities)	(1075.20)	154.35	7.63	(913.22)

Notes to Financial Statements for the Financial Year Ended 31-03-2022

NOTE D : Other Information (contd...)

(v) The reconciliation of estimated income tax expense at Indian Statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows

Particulars	**2021-22**	*2020-21*
Profit before tax	4636.12	*1860.08*
Indian statutory income tax rate	34.94%	*34.94%*
Expected tax expenses	1619.86	*649.91*
Tax Effect of adjustments to reconcile expected income tax expenses to reported income tax expense		
Effect of carried forward losses as per IT Act.	(347.95)	*(649.91)*
Tax rate difference on book profit as per Minimum Alternative Tax	1271.91	*309.18*
Tax Expenses accounted as no effect of Timing difference on MAT liability	(15.77)	*(154.35)*
Others(net)	–	–
Total tax expense	**1256.14**	***154.83***

16. The company formed CSR committee as constituted pursuant to Companies Act 2013. During the year under review, the Company has spent of Rs.26.53 Lakhs.
17. Note related to the impact of COVID–19 in business :

    The Government took adequate steps to ensure uninterrupted crushing operation of the sugar mills and the Company has successfully completed its crushing operation of the sugar season 2021-22.

    The Company entered into activity of manufacturing Sanitizer during previous financial year.

    The Company has considered the possible risk that may result from the pandemic relating to COVID-19 on the carrying amounts of assets including inventories, receivables and other financial and non-financial assets, for which the Company has used the principles of prudence in applying judgments, estimates and assumptions as well as the internal / external information available up to the date of approval of these Standalone financial statements and the same does not have any material impact on these Standalone financial statements.

    The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these Standalone financial statements. The Company will continue to closely monitor any material changes to future economic conditions.
18. Nomination & Remuneration Committee and Board of Directors approved additional Performance Incentive of 3% to Mr. Chandan S. Shirgaokar splendid performance of Ugar Unit and setting up of 1st phase of 200 KLPD in record time of Ethanol Plant w.e.f. 1-4-2021 for the remaining period of appointment i.e. upto 31-03-2024 and Rs.3,00,000/- per Non Executive Director and independent Directors for the Financial Year 2021-22 as Commission, subject to the approval of General Body.
19. Figures of the previous year have been regrouped / rearranged / recast where necessary.

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

Shrikanta V. Bhat
Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

INDEPENDENT AUDITORS' REPORT

To
The Members of
The Ugar Sugar Works Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of The Ugar Sugar Works Limited (hereinafter referred to as the "Holding Company"), and its subsidiary Ugar Theater Private limited (Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and the Notes to the Consolidated Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "The Consolidated Financial Statements").

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note D-18 to the Financial Statements, regarding additional performance incentive of 3% to a Managing Director and Rs. 3,00,000 to each Non-Executive Director and Independent Directors of the Holding Company respectively for the year 2021-22 which is approved by the Nomination and Remuneration Committee and Board of Directors, is subject to approval of the Shareholders of the Company.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters. For each matter below, our description of how our Audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How the matter was addressed in the audit
1.	**Contingent Liability** The Holding Company is involved in direct and indirect tax litigations of Rs. 1,486.74 Lakhs. The Company has also provided Corporate guarantee of Rs. 6,500 Lakhs to the Bankers for Harvesting and Transportation Loan. Whether the liability is recognized or disclosed as a contingent liability is inherently judgmental and dependent on assumptions and assessment. We placed specific focus on the judgments in respect to these demands against the Holding Company. Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. Therefore, it is considered to be a key audit matter. (Refer Note D (1) to Consolidated Financial Statements)	Our procedures included, but were not limited to, the following: • Obtained an understanding from the management with respect to process and controls followed by the Holding Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. • Obtained the list of litigations from the • management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. • Assessed management's discussions held with their legal consultants and understanding precedents in similar cases. We verified the appropriateness of the accounting policies, disclosures related to provisions for sub judice matters and details of contingent liabilities in notes D(1) (b), (c) and (d) respectively in the Consolidated financial statements
2.	**Valuation of Sugar Inventory** Manufacturing of Sugar is complex process which leads to generation of certain joint products and by products which are used for generation of other products, sold in the market as well as used as input in the manufacturing of Sugar. The valuation requires use of management's judgments and assumptions regarding elimination of inter-divisional profits, allocation of costs of production between joint products based on their relative sales value and net realisable value (NRV) of different products which is further dependent upon the market conditions, minimum selling prices, subsequent inventory sale data, current sale prices,	We applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: • Evaluated the accounting policy of sugar inventory in terms of relevant accounting standard; • Tested the design, implementation and operating effectiveness of the Holding Company's key controls over computation of cost of sugar inventory for each sugar mill; • Assessed the appropriateness of the principles used in the valuation of Inventory and analyzed the reasonableness of significant judgments/ assumptions used by the management in their valuation models along with their consistency based on historical/industrial data trends such as sugar recovery rates, generation of Molasses and Bagasse.

Sr. No.	Key Audit Matter	How the matter was addressed in the audit
	notifications/press releases from the government authorities, technical estimates of expected recovery of final products being produced and incremental cost of products manufactured using joint products. These assumptions are subject to inherent uncertainties since they are likely to be influenced by nature and economic factors including uncertainties that may affect the industry on the whole Owing to the significance of the carrying value of Sugar inventories (Rs. 65,651.46 Lakhs), the complexities discussed above and the fact that any changes in the management's judgement or assumptions is likely to have a significant impact on the ascertainment of carrying values of inventories, we have considered this area as a key audit matter.	• Tested the cost sheet data of both Sugar Plant. We assessed the adequacy of the method used, relevance and reliability of data and the formula applied for determining the cost of sugar inventory. This included the basis of allocation of cost to by-products based on Net Realizable Value (NRV). In addition, we assessed the impact of notifications/ orders of the regulators on cost of sugar inventory. For cost of conversion, we assessed the impact of variability in seasonal factors including number of Sugarcane crushing days and recovery of sugar from cane. • Attended the Physical Inventory verification for the year ended 31st March 2022 and performed test counts at both the Sugar Plant.

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

The Holding 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, Corporate Governance, Business Responsibility Report and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information is expected to be made available to us after the date of this Auditor's Report, hence our opinion is based on Consolidated Financial Statements only.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Business Responsibility Report, Shareholder's Information, if we conclude that there is a Material Misstatement therein, we are required to communicate the matter to those charged with Governance.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statement by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in Group are responsible for overseeing financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 the Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

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

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

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

Other Matters

We did not audit the financial statements and other financial information of a subsidiary company whose financial statement includes total assets of Rs. 169.36 Lakhs as at March 31,2022, total revenue of Rs. 3.85 Lakhs and net cash outflows amounting to Rs.0.59 Lakhs for the year ended on that date respectively, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's share of Net Profit after tax of Rs.1.55 Lakhs for the year ended March 31, 2022. These financial statements and other financial information have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and the other financial information of subsidiary company, referred in other matter paragraph above, we report, to the extent applicable that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept far as it appears from our examination of those books and report of other auditor.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors of Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding company, and the report of the statutory auditor of its subsidiary company, none of the directors of the Group 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on auditor's report of the Holding Company and Subsidiary Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting report of the Holding company and subsidiary company.

2. 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 based on the consideration of report of other statutory auditor of the subsidiary, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiary to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act, except as stated in Note No. D-18 of the financial statements read with the Emphasis of Matter paragraph in the report.The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

3. 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 Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Reference for the same is given in Notes to consolidated financial statements.

II. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company and its subsidiary company.

i. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended

   a. The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   b. Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us believe that the representations under sub–clause (a) and (b) contain any material mis-statement.

ii. The final dividend paid by the Holding Company during the year in respect for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend

   As stated in note 45to the consolidated financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and entities included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AJMLLV9636

Pune, May 23, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **THE UGAR SUGAR WORKS LIMITED** of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of THE UGAR SUGAR WORKS LIMITED (hereinafter referred to as "Holding Company") and its subsidiary company as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the 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 consolidated financial statements.

Limitations of Internal Financial Controls over Financial Reporting with reference to these consolidated financial statements

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

Opinion

In our opinion, to the best of our information and based on the consideration of the explanations given to us, other auditor referred to in the Other Matters paragraph below, the Holding Company and its subsidiary company, which are companies incorporated in India, has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31 2022 except that there is scope for improvement in certain areas which require strengthening of controls established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. We have considered these weaknesses identified in determining the nature, timing and extent of audit tests applied in our audit of the March 31, 2022 consolidated financial statements of the Group, and these weaknesses do not affect our opinion on the consolidated financial statements of the Holding company.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding company, in so far as relates to one subsidiary company, which is a company incorporated in India, is based solely on the corresponding reports of the auditor of such companies incorporated in India.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 22117309AJMLLV9636

Pune, May23, 2022

Consolidated Balance Sheet as at 31st March, 2022

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31st March 2022	As At 31st March 2021
ASSETS			
Non-current Assets			
Tangible Assets			
Property, plant and equipment	1A	11,867.63	*12,833.05*
Capital work in progress	1A	11,222.81	*259.61*
Investment property	1B	7.12	*7.56*
Intangible Assets			
Other Intangible assets	2	2.52	*2.80*
Financial assets			
Non - Current Investments	3A	366.97	*371.85*
Non - Current Loans & Advances	4A	3.50	*3.50*
Other non-current assets	6	612.13	*326.10*
Current Assets			
Inventories	7	76,948.56	63,511.28
Financial Assets			
Trade receivables	8	8,887.46	*4,933.93*
Cash and cash equivalents	9A	624.26	*542.09*
Bank balances other than above	9B	146.39	*128.69*
Other current financial assets	5	145.01	*125.80*
Current Tax Assets (Net)	10	231.49	*100.78*
Other current assets	11	5,298.96	*6,195.70*
Total		**1,16,364.81**	***89,342.74***
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	1,125.00	*1,125.00*
Other Equity	13		
Share Premium	13A	1,575.00	*1,575.00*
Retained Earnings	13A	7,077.33	*2,969.45*
Other Reserves	13A	2,391.60	*2,391.60*
Other Comprehensive Income	13B	7.31	*(11.06)*
Non-current Liabilities			
Financial Liabilities			
Long Term Borrowings	14A	12,410.12	*7,038.43*
Long Term Provisions	15A	364.41	*371.76*

Consolidated Balance Sheet as at 31st March, 2022

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	As At 31st March 2022	As At 31st March 2021
Deferred tax liabilities (Net)	16B	926.76	934.26
Current Liabilities			
Financial Liabilities			
Short Term Borrowings	14B	51,558.21	48,377.69
Trade payables	17A		
Total outstanding dues of micro enterprises and small enterprises		81.03	19.66
Total outstanding dues other than micro enterprises and small enterprises		22,349.34	11,517.06
Other payables	17B		
Total outstanding dues of micro enterprises and small enterprises			-
Total outstanding dues other than micro enterprises and small enterprises		738.66	213.09
Other financial liabilities	18	6,922.74	6,398.20
Provisions	15B	1,367.22	1,459.31
Other current liabilities	19	7,470.08	4,963.29
Total		**1,16,364.81**	**89,342.74**

See accompanying notes forming part of the
A to D
financial statements

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

Shrikanta V. Bhat
Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

Consolidated Statement of Profit and Loss Account for the year ending 31st March 2022

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Continuing Operations			
I Revenue From Operations	20	1,30,158.90	*1,11,796.48*
II Other Income	21	224.47	*586.52*
III Total Income (I+II)		**1,30,383.37**	***1,12,383.00***
IV Expenses			
(a) Cost of materials consumed	22A	98,413.84	*77,572.52*
(b) Other Manufacturing Expenses	22B	3,195.97	*2,219.92*
(c) Purchases of Stock-in-Trade	23	4,670.84	*3,930.52*
(d) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	24	(13,653.24)	*(4,320.56)*
(e) Employee benefits expenses	25	7,843.89	*6,949.56*
(f) Finance costs	26	4,353.84	*4,261.32*
(g) Excise Duty on Goods Sold		16,412.94	*16,245.12*
(h) Depreciation and amortization expense	27	1,148.05	*1,242.62*
(i) Other expenses	28	3,360.40	*2,421.85*
Total expenses (IV)		**1,25,746.53**	***1,10,522.87***
V Profit/(loss) before exceptional items and tax from continuing operations		4,636.84	*1,860.13*
VI Exceptional Items		-	
Profit/(loss) before tax from continuing operations		4,636.84	*1,860.13*
Tax expense:			
(1) Current tax	16A	1,272.16	*309.44*
(2) MAT Credit entitlement for current year			
(3) MAT Credit entitlement for earlier year		(952.36)	
(4) Deferred tax	16 A	(15.80)	*(154.37)*
Profit/(Loss) for the period		**4,332.84**	***1,705.06***
Other Comprehensive Income			
A. Other Comprehensive Income to be reclassified to profit or loss in subsequent periods			
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Net Other Comprehensive Income to be reclassified to profit or loss in subsequent periods		-	-

Consolidated Statement of Profit and Loss Account for the year ending 31st March 2022

(Amount in Rs. Lakhs)

Particulars	Ref. to Notes	For the year ended 31st March 2022	For the year ended 31st March 2021
B. Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods			
(i) Items that will not be reclassified to profit or loss		26.84	*(21.60)*
(ii) Income tax relating to items that will not be reclassified to profit or loss	16A	(8.47)	*(7.68)*
Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods		18.37	*(29.28)*
Other Comprehensive Income (net of tax)		18.37	*(29.28)*
Total Comprehensive Income for the year (net of tax)		4,351.21	*1,675.78*
Earnings per share (Nominal Value per share Rs. 1)			
Basic computed on the basis of profit		3.85	*1.52*
Diluted computed on the basis of profit		3.85	*1.52*

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

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Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

Consolidated Statement of Cash Flows For The Year Ended 31st March 2022

(Amount in Rs. Lakhs)

	Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
A.	Net profit before tax and extraordinary items	4,636.84	*1,860.13*
	Adjustment for:		
	Depreciation and amortization expense	1,148.06	*1,242.62*
	Provision for Doubtful Debts Bad debts and Sundry Advances	143.74	*6.03*
	Bad debts and Sundry Advances Written off	144.57	*21.67*
	Loss/Gain on Disposal/Adjustment of PPE	34.83	*15.49*
	Finance Costs	4,353.86	*4,261.30*
	Unrealised Loss on Units and Preference Shares	7.31	*4.62*
	Investment Income	(13.62)	*(67.94)*
	Operating profit before working capital changes	10,455.59	*7,343.92*
	Decrease/(Increase) in trade receivables, advances and other assets	(3,703.61)	*(2,975.16)*
	Decrease/(Increase) in Inventories	(13,437.27)	*(4,734.61)*
	Increase/(Decrease) in trade payables, provisions and other liabilities	16,326.45	*(7,459.68)*
	Cash Generated from operations	9,641.16	*(7,825.53)*
	Direct Tax paid (Net of Refund)	(340.97)	*48.95*
	Cash flow before extraordinary items	9,300.19	*(7,776.58)*
	Extraordinary items	-	-
	Net cash from Operating activities	9,300.19	*(7,776.58)*
B.	Cash flow from investing activities		
	Purchase of property, plant and equipment	(13,154.35)	*(610.92)*
	Purchase / Sale of Investments	–	*(1.04)*
	Advance Given for Investment	–	*(5.75)*
	Interest and Dividend received	21.23	*67.12*
	Net cash from investing activities	(13,133.12)	*(550.59)*
C.	Cash flow from financing activities		–
	Interest paid	(4,412.13)	*(4,189.16)*
	Proceeds / (Repayment) from long term borrowings (net)	5,371.69	*4,855.23*
	Proceeds / (Repayment) from short term borrowings (net)	3,180.53	*7,318.13*
	Dividend Paid	(225.00)	*(112.50)*
	Net cash from Financing activities	3,915.09	*7,871.70*
D.	Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	82.16	*(455.47)*
E.	Opening Cash and Cash equivalents	542.10	*997.56*
F.	Closing Cash and Cash equivalents	624.26	*542.09*

Notes to Cash Flow Statement

1 Cash Flow Statement has been prepared under indirect method as set out in Ind AS 7.
2 Purchase of property, plant and equipment includes movement in Capital Work in Progress and Capital Advances
3 Figures for the previous year have been regrouped where necessary.

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

Niraj S. Shirgaokar
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Shrikanta V. Bhat
Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

Consolidated Statement of Changes in Other Equity For the year ended 31st March 2022

(Amount in Rs. Lakhs)

Particulars	Equity Share Capital	Reserves and Surplus					Items of OCI	Total
		Share Premium	General Reserve	Retained Earnings	Capital Reserve	Asset Revaluation Reserve	Others	
As at 1st April 2020	1,125.00	1,575.00	2,267.58	1,376.05	123.07	1.44	17.39	6,485.53
Profit for the period				1,705.06				1,705.06
Acturial (Loss) Net of Tax								–
Less : Dividend for F.Y. 2019-20 - paid during the year								
As at 1st April 2020				(112.50)				(112.50)
Acturial (Loss) Net of Tax							(29.28)	(29.28)
Recoupment from revaluation building				0.84		(0.49)	0.83	1.18
Changes in accounting policy or prior period errors								
Restated balance at the beginning of the current reporting period								
As at 31st March 2021	1,125.00	1,575.00	2,267.58	2,969.45	123.07	0.95	-11.06	8,049.99
Less : Dividend for F.Y. 2020-21 paid \ during the year				(225.00)				(225.00)
As at 1st April 2020								–
Profit for the period				4,332.87				4,332.87
Acturial (Loss) Net of Tax							18.37	18.37
Recoupment from revaluation building				–				–
Changes in accounting policy or prior period errors								
Restated balance at the beginning of the current reporting period								–
As at 31st March 2022	**1,125.00**	**1,575.00**	**2,267.58**	**7,077.32**	**123.07**	**0.95**	**7.31**	**12,176.22**

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

Niraj S. Shirgaokar
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Shrikanta V. Bhat
Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 1 Tangible Assets

1A. Property Plant and Equipment

(Amount in Rs. Lakhs)

Particulars	Free hold Land	Building	Plant and Equipments (owned)	Office Equip-ments	Vehicles	Total Property Plant & Equipments	Capital Work in Progress
Cost or Valuation							
Balance as on 31 March 2020	581.20	3,538.27	45,018.39	494.95	955.38	50,588.19	84.54
Additions during 01 April 2020 to 31 March 2021	–	12.38	243.35	17.45	38.47	311.65	254.99
Disposal/Adjustment during 01 April 2020 to 31 March 2021	–	(28.75)	(53.73)		(13.10)	(95.58)	(79.92)
Balance as on 31 March 2021	581.20	3,521.90	45,208.01	512.40	980.75	50,804.26	259.61
Balance as on 31 March 2021	581.20	3,521.90	45,208.01	512.40	980.75	50,804.26	259.61
Additions during 01 April 2021 to 31 March 2022	–	1.17	152.76	27.84	34.34	216.12	12,189.45
Disposal/Adjustment during 01 April 2021 to 31 March 2022	–	–	(160.41)	(5.87)	–	(166.29)	(1,226.25)
Balance as on 31 March 2022	581.20	3,523.07	45,200.36	534.37	1,015.09	50,854.09	11,222.81
Accumulated Depreciation							
Balance as on 31 March 2020	–	2,214.66	32,896.21	445.44	807.66	36,363.96	–
Depreciation charge for the year ended 31 March 2021	–	79.43	1,091.58	22.00	44.59	1,237.60	–
Disposal/Adjustment during 01 April 2020 to 31 March 2021	–	(28.06)	(86.65)	–	(12.48)	(127.20)	–
Balance as on 31 March 2021	–	2,266.03	33,901.14	467.44	839.77	37,474.36	–
Depreciation charge for the year ended 31 March 2022	–	74.32	1,004.82	24.68	42.88	1,146.70	–
Disposal/Adjustment during 01 April 2021 to 31 March 2022	–	–	-125.59	-5.87	-	-131.46	–
Balance as on 31 March 2022	–	2,340.35	34,780.37	486.25	882.65	38,489.60	–
Impairment of Assets							
Balance as on 31 March 2020	–	–	496.86	–	–	496.86	–
Change for the Year 2020-21	–	–	–	–	–	-	–
Balance as on 31 March 2021	–	–	496.86	–	–	496.86	–
Change for the Year 2021-22	–	–	–	–	–	–	–
Balance as on 31 March 2022	–	–	496.86	–	–	496.86	–
Net Book Value							
As on 31.03.2021	581.20	1,255.87	10,810.01	44.96	140.98	12,833.05	259.61
As on 31.03.2022	581.20	1,182.72	9,923.13	48.12	132.44	11,867.63	11,222.81

Aging Schedule for Capital-Work-in Progress (CWIP) and Intangible assets under Development as on 31st March 2022

Particulars	Amount of CWIP for a period of				Total
	Less than 1 Year	1-2 yeras	2-3 years	More than 3 yeras	
As on 31.03.2021	252.54	3.23	0.00	3.84	259.61
As on 31.03.2022	9,720.18	1,501.13	1.50	–	11,222.81

Notes to Consolidated financial statements for the year ended 31st March, 2022

1B. Investment Property (Amount in Rs. Lakhs)

Particulars	**Amount**
Cost	
Balance as on 31 March 2020	29.82
Additions (subsequent expenditure) during 01 April 2020 to 31 March 2021	–
Balance as on 31 March 2021	29.82
Additions (subsequent expenditure) during 01 April 2021 to 31 March 2022	–
Balance as on 31 March 2022	29.82
Accumulated Depreciation	
Balance as on 31 March 2020	21.78
Depreciation charge for the year ended 31 March 2021	0.48
Impairment for the year ended 31 March 2021	–
Balance as on 31 March 2021	22.26
Depreciation charge for the year ended 31 March 2022	0.44
Impairment for the year ended 31 March 2022	–
Balance as on 31 March 2022	22.70
Net Book Value	
As at 31.03.2020	8.04
As at 31.03.2021	7.56
As at 31.03.2022	7.12

Note No. 2 Intangible Assets (Amount in Rs. Lakhs)

Particulars	**Computer Software**
Cost	
Balance as on 31 March 2020	203.53
Additions during 01 April 2020 to 31 March 2021	2.07
Adjustment/Disposals during 01 April 2020 to 31 March 2021	
Balance as on 31 March 2021	205.60
Additions during 01 April 2021 to 31 March 2022	0.63
Adjustment/Disposals during 01 April 2021 to 31 March 2022	–
Balance as on 31 March 2022	206.23
Accumulated Amortisation and impairment	
Balance as on 31 March 2020	198.26
Amortisation during 1 April 2020 to 31 March 2021	4.54
Impairment during 1 April 2020 to 31 March 2021	–
Balance as on 31 March 2021	202.80
Amortisation during 1 April 2021 to 31 March 2022	0.91
Impairment during 01 April 2021 to 31 March 2022	–
Balance as on 31 March 2022	203.71
Net Book Value	
As at 31.03.2020	5.27
As at 31.03.2021	2.80
As at 31.03.2022	2.52

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 3A : Non Current Investments (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Investments at Fair Value through Profit and Loss		
a. Investment in Mutual Funds 42634.70 (40,837.91) Units of Rs. 10 each of UTI Balanced Fund (At NAV)	14.95	*12.52*
b. Investment in Preference Shares		
(i) 4,75,000 (4,75,000) 10% Cumulative Redeemable Preference Shares of Rs. 100 each of Synergy Green Industries Ltd. (At Fair Value)	341.25	*348.56*
Investments at Cost		
a. Investment in Unquoted Preference Shares		
(i) 10,00,000 (10,00,000) 8% Cumulative Redeemable Preference Shares of Rs. 10 each of Ugar Quality Packaging Ltd.	100.00	*100.00*
b. Investment in Unquoted Equity Shares		
(i) 2,27,500 (2,27,500) Equity Shares of Rs. 10 each of Ugar Quality Packaging Pvt. Ltd.	22.75	*22.75*
(ii) 3,750 (3,750) Shares of Rs. 10 each of Sangli Urban Co-operative Bank Ltd.	5.00	*5.00*
(iii) 30 (30) Shares of Rs. 50 each of Dombivali Nagari Sahakari Bank	0.02	*0.02*
Sub-Total	**27.77**	***27.77***
Advance against Purchase of Shares		
(i) Dombivali Nagari Sahakari Bank	5.75	*5.75*
Sub-Total	**5.75**	***5.75***
Provision for diminution in value of investments	(122.75)	*(122.75)*
Total	**366.97**	***371.85***
Aggregate book value of quoted Investments	14.95	*12.52*
Aggregate market value of quoted Investments	14.95	*12.52*
Aggregate value of unquoted Investments	469.02	*476.33*
Aggregate amount of impairment in the value of investment	(122.75)	*(122.75)*

Note No. 4A : Non Current Loans & Advances (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Advance to Trusts – Babukaka Shirgaokar Tech. Edu. Trust	3.50	*3.50*
Total	**3.50**	***3.50***

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 5 : Other Current Financial Assets (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Accrued Interest on Bank Deposits & Advances	27.24	*6.01*
Security deposits with Government Authorities	53.00	*55.02*
Security Deposits other than Government Authorities	64.77	*64.77*
Considered Doubtful Deposit	28.00	*28.00*
Sub-Total	**92.77**	***92.77***
Less: Provision for Doubtful Deposit	28.00	*28.00*
Sub-Total	**64.77**	***64.77***
Total	**145.01**	***125.80***

Note No. 6 : Other Non Current Financial Assets (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Long Term Receivables (Unsecured, Considered Good)		
Indirect Tax Receivable (Paid under protest)	21.74	*42.45*
Capital Advance Paid to Others	590.39	*283.55*
Tax Paid in Advance	–	*0.10*
Total	**612.13**	***326.10***

Note No. 7 - Inventories
(Refer Note C (i) of Significant Accounting Policies) (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Raw material		
Crop in Progress	39.05	*22.02*
Other Raw Material	95.07	*123.92*
Work in Progress (at cost)		
Sugar in Process	376.68	–
Molasses in process	39.47	–
Finished Goods		
Sugar, Molasses and Spirit	73,426.29	*61,237.87*
Bagasse- Own	1,374.83	*956.60*
Stock in Trade		
Petroleum Products	76.43	*64.39*
Stores, Spare Parts and Others	1,520.74	*1,106.48*
Total	**76,948.56**	***63,511.28***

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 8 : Trade Receivables		(Amount in Rs. Lakhs)
Particulars	**As on 31st March 2022**	*As on 31st March 2021*
Trade Receivable		
Considered Good	8,887.46	*4,933.93*
Which have significant increase in credit risk (Doubtful)	–	*125.57*
Total	**8,887.46**	***5,059.50***
Less : Provision for Doubtful debts	–	*125.57*
Total Trade Receivables	**8,887.46**	***4,933.93***

Balance as at 31st March 2022 (Amount in Rs. Lakhs)

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	8,531.10	221.43	76.24	34.37	24.31	8,887.46
(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	–	–	–	–	–	–
Total	**8,531.10**	**221.43**	**76.24**	**34.37**	**24.31**	**8,887.46**

Notes to Consolidated financial statements for the year ended 31st March, 2022

Balance as at 31st March 2021 (Amount in Rs. Lakhs)

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	4,624.90	141.13	147.23	1.15	19.52	4,933.93
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	125.57	125.57
(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	–	–	–	–	–	–
Total	**4,624.90**	**141.13**	**147.23**	**1.15**	**145.09**	**5,059.50**
Less : Provision for Doubtful debts	–	–	–	–	125.57	125.57
Total Trade Receivables	**4,624.90**	**141.13**	**147.23**	**1.15**	**19.52**	**4,933.93**

Note No. 9A : Cash & Cash Equivalents (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Cash in Hand	40.84	15.12
Balances with banks in Current Accounts	583.42	526.97
Total	**624.26**	**542.09**

Note No. 9B : Bank balances other than above (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Unclaimed Dividend Account	43.69	*30.68*
Balances in Term Deposits :		
- For Issue of bank guarantees	102.70	*98.01*
Total	**146.39**	***128.69***

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 10 : Current Tax Assets (Net) (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Advance Payment of Taxes	2,887.04	*2,366.79*
MAT Credit Receivable	896.44	*407.24*
Sub-Total	**3,783.48**	***2,774.03***
Less : Tax Provision	(3,551.99)	*(2,673.25)*
Total	**231.49**	***100.78***

Note No. 11 : Other Current Assets (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Balances with Government Authorities	206.76	*162.23*
Advances to Cultivators and Cane-Growers		
Considered Good	1,423.35	*1,379.70*
Considered Doubtful	504.52	*357.01*
Sub-Total	**1,927.87**	***1,736.71***
Less: Provision for Doubtful Advances	(504.52)	*(357.01)*
Sub-Total	**1,423.35**	***1,379.70***
Advances to Employees	143.62	*88.85*
Advances for Capital Goods & Spares	2,720.22	*58.55*
Advances for Materials & Services	377.80	*79.91*
Advances for Others	269.31	*75.86*
Sub-Total	**3,510.95**	***303.17***
Subsidy Receivable from Government	–	*3,765.92*
Prepaid expenses	157.90	*93.60*
Interest Subvention - Receivable from Banks	–	*491.08*
Total	**5,298.96**	***6,195.70***

Note No. 12 : Share Capital

Authorised Share Capital (Amounts in Rs. Lakhs)

Particulars	Equity Shares No.	Equity Shares Amount in Rs.
At 31 March 2021	**2,000.00**	**2,000.00**
Increase during the year	–	–
(Decrease) during the year	–	–
At 31 March 2022	**2,000.00**	**2,000.00**

Notes to Consolidated financial statements for the year ended 31st March, 2022

During the year there has not been any change in the Authorised Share Capital of Equity Shares.

Terms / Rights attached to the Equity Shares

(i) The Company has only one class of equity shares of face value of Re. 1. Each holder of equity share is entitled to one vote per share. Dividend recommended by the Board is subject to approval of the shareholders in ensuing General Meeting

(ii) In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company , after distribution of all preferential amounts. The distribution will be in proportion of number of equity shares held by the shareholders

Issued Equity Capital		(Amounts in Rs. Lakhs)
Particulars	**No.**	**Amount in Rs.**
Equity shares of Rs. 1 each issued, subscribed and fully paid up		
At 31 March 2021	1,125.00	1,125.00
Increase during the year	–	–
(Decrease) during the year	–	–
At 31 March 2022	1,125.00	1,125.00

Details of shareholders holding more than 5% shares in the company		(Amounts in Rs. Lakhs)
Particulars	**31st March 2022**	*31st March 2021*
SB Reshellers Private Limited	197.04	*197.04*
Percentage Holding in the class	17.51	*17.51*

Note No. 13: Other Equity **Note No. 13 (A): Reserves and Surplus**		(Amount in Rs. Lakhs)
Particulars	**As on 31st March 2022**	*As on 31st March 2021*
Securities Premium		
As per last Balance Sheet	1,575.00	*1,575.00*
	1,575.00	***1,575.00***
General Reserve		
As per last Balance Sheet	2,267.58	*2,267.58*
	2,267.58	***2,267.58***
Capital Reserve	123.07	*123.07*
Asset Revaluation Reserve	0.95	*0.95*
	2,391.60	***2,391.60***
Retained Earnings		
As per last Balance Sheet	2,969.45	*1,376.04*
Profit carried from Statement of Profit and Loss	4,332.87	*1,705.07*
Balance of Profit after adjustments	7,302.32	*3,081.11*
Less : Dividend for F.Y. 2020-21/2019-20 paid during the year	(225.00)	*(112.50)*
Add : Recoupement from revaluation of building	–	*0.84*
Balance Carried forward	**7,077.33**	***2,969.45***
Total	**11,043.93**	***6,936.05***

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 13 (B): Other Comprehensive Income (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
As per last Balance Sheet	(11.06)	*17.39*
Add : For the Year	18.36	*(28.45)*
Total	**7.31**	***(11.06)***

Note No. 14A : Long Term Borrowings (Amount in Rs. Lakhs)

Particulars	Effective Interest Rate	Maturity Date	As on 31st March 2022	*As on 31st March 2021*
Term Loans				
From Bank				
(i) Central Bank of India-Soft Loan for Payment of FRP (Secured)	1Year MCLR + 3.50%	Jun-24	1,499.36	*3,123.66*
(ii) Bank of Baroda-Soft Loan for Payment of FRP (Secured)	1Year MCLR+3.25%	Dec-23	500.00	*984.50*
(iii) Union Bank of India-Soft Loan for Payment of FRP (Secured)	1Year MCLR+4.40%	Jun-24	-	*299.68*
iv) Central Bank of India-Covid 2019 I	7.60%	Jun-22	13.54	*1,821.55*
v) Union Bank of India-Covid 2019 I	8.00%	Jun-22	113.29	*608.84*
vi) Bank of Baroda - Covid 2019 I	8.00%	Jun-22	-	*691.01*
vii) Central Bank of India-Emergency Credit Lending Scheme	1Year MCLR+2.70%+ 0.20% with cap of 9.25% p.a.	Feb-26	4,223.07	*2,300.00*
viii) Union Bank of India-Guaranteed Emergency Credit Line	1Year MCLR+0.60%	Mar-26	1,512.74	*1,550.00*
ix) Union Bank of India-Covid-3 Loan	1 Year MCLR +0.60%	Mar-28	1,950.00	-
x) Central Bank of India-Covid-3 Loan	1 Year MCLR+1.00%	Dec-27	1,747.00	-
xi) Central Bank of India-Bio-Refinery Loan	1 Year MCLR+2.65%	Dec-26	3,395.54	-
xii) Bank of Baroda -Emergency Grant Credit Loan- 21	1 Year MCLR + 1%	Jun-26	1,900.00	-
			16,854.54	***11,379.24***
Less: Current maturities in respect of above loans disclosed seperately under Short Term Borrowings			4,444.42	*4,340.80*
Sub-Total			**12,410.12**	***7,038.43***
Total Long Term Borrowings			12,410.12	*7,038.43*

Notes to Consolidated financial statements for the year ended 31st March, 2022

Details of Secured Term Loans

(i) Central Bank of India - Soft Loan for Payment of FRP (Secured)

The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto June 2020. The loan is repayable in 48 monthly instalments of Rs.83.02 Lakhs each. The last instalment is due in June 2024.

(ii) Bank of Baroda - Soft Loan for Payment of FRP (Secured)

The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto June 2020. The loan is repayable in 18 quarterly instalments of Rs. 89.50 Lakhs each. The last instalment is due in December 2023.

(iii) Union Bank of India - Soft Loan for Payment of FRP (Secured)

The loan was obtained for payment of cane price arrears for the season 2018-19 relating to the Fair & Remunerative Price (FRP). The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. Interest on loan is subvented by the Government at 7% to the Bank for a period of one year upto June 2020. The loan is repayable in 48 monthly instalments of Rs. 26.79 Lakhs each. The last instalment is due in June 2024.

(iv) Central Bank of India - Covid-2019 Loan

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured by all tangible movable property such as stock in trade and goods.. The loan is repayable in 18 monthly instalments of Rs. 129.17 Lakhs each. The last instalment is due in June 2022.

(v) Union Bank of India - Covid-2019 Loan

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured Primary by Hypothecation of Stock (other than Pledge) and receivables of the company and Collateral by extension of 1st pari passu charge on all fixed assets at Ugar and Jewargi . The loan is repayable in 18 monthly instalments of Rs. 41.67 Lakhs each. The last instalment is due in June 2022.

(vi) Bank of Baroda - Covid-2019 Loan

The loan was obtained to meet liquidity mismatch due to COVID 19 pandemic under Central Government Covid-19 Sahayata Scheme. The loan is secured by Pledge of Sugar. The loan is repayable in 18 monthly instalments of Rs. 46.39 Lakhs each. The last instalment is due in June 2022.

(vii) Central Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme(GECL - 2)Loan. The loan is secured by all tangible movable property such as stock in trade and goods. The loan is repayable in 48 monthly instalments of Rs.47.92 Lakhs each. The last instalment is due in February 2026.

(viii) Union Bank of India - Guaranteed Emergency Credit Line (GECL - 2) Loan

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2)Loan. The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi. The loan is repayable in 48 monthly instalments of Rs.32.29 Lakhs each. The last instalment is due in March 2026.

(ix) Bank of Baroada - Guaranteed Emergency Credit Line (BGECL - 2) Loan

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (GECL - 2)Loan. The loan is secured by extension of 1st pari passu charge on all assets at Ugar

Notes to Consolidated financial statements for the year ended 31st March, 2022

and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.39.58 lakhs each. The last installment is due in June 2026.

x) Union Bank of India - Covid-UGECL 2.0 Extesnion

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme(UGECL - 2.0 Extension)Loan. The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.40.63 lakhs each. The last installment is due in Mar 2028.

xi) Central Bank of India - Bio-Refinery Loan

This loan was obtained for augmentation of ethanol production under the scheme of Govt. of Inida notified scheme"Scheme for Extending Financial Assistance to sugar mills for enhancement and augmentation of ethanal production capacity". The loan is secured by 1st pari pasu charge on all assets at Ugar and at Jewargi (including assets of new distillery unit). The loan is repayble in quarterly installments of Rs. 242.54 Lakhs. The Last installment of the loan being due in Dec 2026.

xii) Central Bank of India - Covid-CGECL 2.0 Extension

The loan was obtained under Central Government Guaranteed Emergency Credit Line Scheme (CGECL - 2.0 Extension)Loan. The loan is secured by extension of 1st pari passu charge on all assets at Ugar and Jewargi and Current Assets. The loan is repayable in 48 monthly installments of Rs.36.40 lakhs each. The last installment is due in Dec.2027.

Note No. 14B : Short Term Borrowings (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	As on 31st March 2021
Current Maturities of Long Term Debts - Secured		
From Banks	4,444.42	*4,340.80*
Interest accrued and due on borrowings	40.71	*98.99*
Working Capital Loans		
From Bank		
Cash Credit Hypothecation - (Central Bank Of India) (Secured)		
— Hypothecation of Stores	998.24	*1,388.83*
— ODBD	995.96	*714.51*
Cash Credit Pledge (Secured)		
Bank Of Baroda	5,661.92	*6,749.02*
Central Bank of India	19,860.27	*14,014.53*
Union Bank of India	14,580.36	*12,956.55*
Sangli Urban Co-op Bank Ltd.	1,001.61	*1,007.76*
Dombivli Nagari Sahakari Bank Ltd.	3,464.72	*3,402.57*
Sub Total	**51,048.21**	***44,673.56***
Book Overdraft	-	*3,374.13*
Fixed Deposit from Directors	510.00	*330.00*
Total	**51,558.21**	***48,377.69***

Note: Working capital loans are secured by hypothecation of Company's stock of raw material, work in process, finished goods, consumable stores, spares, book debts, both present and future. The fund based limits are payable on demand to the Banks.

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 15A : Long Term Provisions (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Provisions for Employee Benefits		
Provision for Leave Salary	364.41	*371.76*
Total	**364.41**	***371.76***

Note No. 15B : Short Term Provisions (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Provision for Gratuity	1,331.07	*1,421.44*
Provision for Leave Salary	36.15	*37.87*
Total	**1,367.22**	***1,459.31***

Note No. 16 - Income Taxes

The major components of income tax expense for the year ended 31 March 2022 and 31 March 2021 are:

Note no. 16A. Statement of Profit and Loss

(i) Profit and Loss Section (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Current Income Tax :		
Current income tax charge	1,272.16	*309.44*
Adjustment in respect of current income tax of previous year	–	–
	1,272.16	*309.44*
Deferred Tax :		
Relating to origination and reversal of temporary differences	(15.80)	*(154.37)*
Income Tax expense reported in the statement of profit or loss	1,256.36	*(154.37)*
(ii) OCI Section		
Deferred Tax related to items recognised in the OCI during the year:		
Net gain/(loss) on remeasurement of defined benefit plans	9.30	*(7.68)*
Income Tax charged to OCI	9.30	*(7.68)*

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 16B : Deferred Tax

Deferred Tax relates to the following : (Amount in Rs. Lakhs)

Particulars	Balance Sheet		Statement of Profit and Loss	
	31-Mar-22	*31-Mar-21*	**31-Mar-22**	*31-Mar-21*
Deferred Tax Liabilities				
On account of timing differences in -				
Depreciation	1,871.43	*1,907.84*	(36.41)	*(5.50)*
Less: Deferred Tax Assets				
On account of timing differences in -				
a. Provision for doubtful debts & advances	(187.05)	*(179.39)*	(7.66)	*(2.10)*
b. Disallowances under the Income Tax Act	(757.62)	*(794.19)*	36.58	*(139.30)*
	(944.67)	*(973.58)*	28.92	*(141.40)*
Total	**926.76**	***934.26***	**(7.49)**	***(146.90)***

Reflected in the Balance sheet as follows : (Amount in Rs. Lakhs)

Particulars	**As on 31st March 2022**	*As on 31st March 2021*
Deferred Tax Assets	(944.67)	*(973.58)*
Deferred Tax Liabilities	1,871.43	*1,907.84*
Deferred Tax Liabilities (net)	926.76	*934.26*

Note No. 17 (A) : Trade Payables (Amount in Rs. Lakhs)

Particulars	**As on 31st March 2022**	*As on 31st March 2021*
Total Outstanding Dues of Micro & Small Enterprises	81.03	*19.66*
Total Outstanding Dues of other than Micro & Small Enterprises	22,349.34	*11,517.06*
Total	**22,430.37**	***11,536.72***

Balance as at 31st March 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	81.03	-	-	-	81.03
(ii) Others	21,059.05	1,128.35	51.82	62.41	22,301.63
(iii) Disputed dues – MSME	–	–	–	–	–
(iv) Disputed dues Others	–	–	–	47.71	47.71
Total	**21,140.08**	**1,128.35**	**51.82**	**110.12**	**22,430.37**

Notes to Consolidated financial statements for the year ended 31st March, 2022

Balance as at 31st March 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	19.66	–	–	–	19.66
(ii) Others	11,300.44	34.50	52.05	79.73	11,466.72
(iii) Disputed dues – MSME	–	–	–	–	–
(iv) Disputed dues Others	–	–	–	50.34	50.34
Total	**11,320.10**	**34.50**	**52.05**	**130.07**	**11,536.72**

Note No. 17 (B) : Current Other Payables (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Other Payables	483.47	*210.24*
Payable for Capital Goods	255.19	*2.85*
Total	**738.66**	***213.09***

Note No. 18 : Other Current Financial Liabilities (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Harvesters & Transporters Loan (Refer Note D-1)	6,059.38	*5,609.98*
Unclaimed Dividend	43.69	*30.68*
Unpaid Matured Deposits & Interest Accrued	2.55	*2.55*
Trade Deposits and Advances	179.55	*173.30*
Salaries, Wages, Bonus & Commission Payable	573.25	*571.93*
Land Rent Contractors Retention	9.35	*1.69*
Other Payables - Employees	13.36	*8.07*
Kerala Opearations	41.61	–
Total	**6,922.74**	***6,398.20***

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 19 : Other Current Liabilities (Amount in Rs. Lakhs)

Particulars	As on 31st March 2022	*As on 31st March 2021*
Provision for Excise Duty on Finished Goods	169.95	*456.50*
Outstanding Expenses	6,339.71	*3,127.23*
Advance from Customers	513.41	*813.54*
Advance From Cultivators & Contractors	62.44	*76.93*
Statutory Dues Payable	384.57	*489.09*
Total	**7,470.08**	***4,963.29***

Note No. 20 : Revenue from Operations (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Continuing Operations		
Sale of Product		
a. Finished Goods		
Sugar/ Sugar Sachet	88,811.58	*69,358.76*
Rectified Spirit	2,428.93	*2,533.71*
Denatured Spirit	3,286.50	*3,393.50*
Potable Alcohol (including excise duty)	20,142.00	*19,777.26*
Electricity	4,866.03	*4,437.75*
b. Traded Goods		
Petroleum Products	4,769.59	*4,065.69*
c. By-Products & Others	3,500.89	*3,673.99*
Total Sale of Products	**1,27,805.52**	***1,07,240.66***
Other Operating Revenues		
Export Incentive on Sale of Sugar	2,353.38	*4,555.82*
Total	**1,30,158.90**	***1,11,796.48***

Note No. 21 A: Other Income (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Non Operating Revenues		
Sale of Services		
Machinery & Bullock Cart Hire Charges	4.44	*0.67*
Excess Provisions & Unclaimed Credit Balances		
Balances Written Back	2.03	*196.98*
Bad Debts / Advances Written Off/Recovered	–	*3.04*
Others		
Insurance Claims Received	17.60	*5.65*
Profit on Sale of Scrap	61.77	*153.31*
Miscellaneous Receipts	70.66	*108.40*
Profit on Sale of Fixed Assets	0.24	–
Finance Income		
Dividend on Non - Trade investments	1.93	*1.04*
Interest on Advances, Bank Deposits and Others	65.26	*117.43*
Unrealised Gains on Units	0.54	–
Total	**224.47**	***586.52***

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 22 A : Cost of Material Consumed (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
A. Cost of Raw Material and Components		
01. Sugarcane		
Purchased	74,515.52	*58,130.58*
Harvesting & Transport	18,865.53	*15,548.06*
Cane Purchase and Development	409.36	*330.67*
Sub-Total	**93,790.41**	***74,009.31***
02. Other Raw Material		
Molasses	5,099.63	*4,557.71*
Malt	7.29	*6.66*
Rectified Spirit	1,176.22	*1,376.95*
Others	142.93	*6.37*
Sub-Total	**6,426.07**	***5,947.69***
Less : Inter-segment transfers	(6,260.96)	*(5,714.79)*
Sub-Total	**165.11**	***232.90***
B. Stores, Spares, Chemicals and Others	4,458.33	*3,330.31*
Total	**98,413.85**	***77,572.52***

Note No. 22 B : Other Manufacturing Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Power Fuel and Water	1,057.50	*755.09*
Repairs and Maintenance - Plant and Machinery	2,138.47	*1,464.83*
Total	**3,195.97**	***2,219.92***

Note No. 23 : Purchase of Stock in Trade (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Petroleum Products	4,670.68	*3,930.52*
Sugar/Sugar Sachets	0.16	–
Total	**4,670.84**	***3,930.52***

Notes to Consolidated financial statements for the year ended 31st March, 2022

Note No. 24 : Changes in inventories of finished goods, Stock-in-Trade and work-in-progress

(Amount in Rs. Lakhs)

	Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
1.	Inventory at the beginning of the year		
	a. Finished goods		
	i. Sugar, Molasses, Spirit etc		
	Sugar	56,189.06	*49,406.76*
	Rectified Spirit	599.32	*844.48*
	Potable Alcohol	1,813.87	*1,247.78*
	Molasses	2,534.39	*5,133.62*
	Others	105.44	*113.80*
		61,242.08	***56,746.44***
	ii. Bagasse -own	956.60	*628.73*
	Total	**62,198.68**	***57,375.17***
	b. Stock in Trade at the beginning of the year		
	Petroleum Products	64.39	*76.12*
		62,263.07	***57,451.29***
	Less : Excise duty on Opening inventory	1,478.32	*987.10*
	Value of Opening Inventory (net of Excise duty)	**60,784.75**	***56,464.19***
2.	Inventory at the end of the year		
	a) Finished goods		
	i. Sugar, Molasses, Spirit etc		
	Sugar	65,651.46	*56,189.06*
	Rectified Spirit	1,583.69	*599.32*
	Potable Alcohol	1,065.37	*1,813.87*
	Molasses	5,070.13	*2,534.39*
	Others	95.11	*105.44*
		73,465.76	***61,242.08***
	ii. Bagasse - own	1,374.83	*956.60*
	Total	**74,840.59**	***62,198.68***
Work-in-progress			
	Sugar in Process	376.68	–
	b) Stock in Trade at the end of the year		
	Petroleum Products	76.43	*64.39*
		75,293.70	***62,263.07***
	Less : Excise duty on Closing Inventory	855.71	*1,478.32*
	Value of Year Closing Inventory (net of Excise duty)	**74,437.99**	***60,784.75***
	Net (Increase)/Decrease in Inventories	**(13,653.24)**	***(4,320.56)***

Notes to Financial Statements for the Financial Year Ended 31-03-2022

Note No. 25 : Employee Benefit Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries, Bonus and Commission	5,357.06	4,807.98
Remuneration to Employees employed by contractors	1,726.79	1,476.39
Contribution to Provident and Other Funds	420.29	398.86
Gratuity Expense	226.02	227.79
Workmen and Staff Welfare	113.73	38.54
Total	**7,843.89**	**6,949.56**

Note No. 26 : Finance Costs (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest on debts and borrowings	4,143.51	3,932.93
Other Finance Charges	210.33	328.39
Total	**4,353.84**	**4,261.32**

Note No. 27 : Depreciation and Amortization Expense (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Deprecation of Tangible Assets	1,146.70	1,237.60
Amortization of Intangible Assets	0.91	4.54
Depreciation of Investment Properties	0.44	0.48
Total	**1,148.05**	**1,242.62**

Note No. 28 : Other Expenses (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
1. Administrative Expenses		
Repairs and Maintenance of Buildings	136.78	142.70
General Repairs and Maintenance	602.08	503.38
Insurance	125.32	118.55
Rent	103.24	86.33
Rates and Taxes	324.17	225.35
Bank Charges	3.89	3.65
Printing and Stationery	15.54	12.21
Travelling and Conveyance	51.96	21.11
Motor Car/ Other Vehicle Expenses	137.12	77.24
Assets Written off	34.83	15.49
Directors Sitting Fees	23.42	16.30
Commission to Non-Executive Directors	36.00	–
Legal & Consultation Expenses	169.75	115.16
CSR Expenditure	26.53	–

Notes to Financial Statements for the Financial Year Ended 31-03-2022

	Payment to Auditors (Refer details below)	17.40	16.17
	Bad debts and Sundry Advances Written off	144.57	21.67
	Provision for Doubtful Debts and Advances	143.74	6.03
	Unrealised Loss on Preference Shares	7.31	4.61
	Donations	5.00	3.50
	Miscellaneous	211.57	158.81
		2,320.22	**1,548.26**
2.	Selling and Distribution Expenses		
	Freight and Selling Expenses	838.91	712.41
	Commission to Selling Agents and representatives	187.17	143.41
	Advertisements	14.10	17.77
		1,040.18	**873.59**
	Total	**3,360.40**	**2,421.85**

Payment to Auditors (Amount in Rs. Lakhs)

Particulars	For the year ended 31st March 2022	*For the year ended 31st March 2021*
Statutory Auditors :		
As Auditors:		
Audit fees	6.00	6.00
Tax Audit fees	1.50	1.50
Limited Review fees	4.50	4.50
In other capacity:		
Taxation matters	–	–
Company Law matters	0.05	0.05
Other services (Certification fees)	0.10	0.10
Reimbursement expenses	1.45	0.17
	13.60	**12.32**
Cost Auditors :		
As Auditors:		
Audit fee	2.30	2.30
In other capacity:		
Reimbursement expenses	–	–
	2.30	**2.30**
Secretarial Auditors :		
As Auditors:		
Audit fee	1.50	1.50
In other capacity:		
Certification fees	–	0.05
Reimbursement expenses	–	–
	1.50	**1.55**
Total	**17.40**	**16.17**

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

GROUP INFORMATION

Holding Company

The Ugar Sugar Works Ltd is a Public Limited Company (CIN-L15421PN1939PLC006738) is one of the leading sugar factories in Karnataka. Its shares are listed on two stock exchanges BSE and NSE. The registered office is located at Mahaveernagar, Sangli. The holding company is engaged in manufacture and sale of sugar, industrial and potable alcohol, and generation and distribution of electricity. Company's plants are located at Ugarkhurd in Belagavi District and at Malli-Nagarhalli Village in Kalburgi District in the state of Karnataka.

Subsidiary Company

The Ugar Theatre Private Ltd, a Subsidiary Company of The Ugar Sugar Works Ltd, is domiciled and incorporated in India, having its Registered Office at Sangli-416 416 Company is engaged in the warehousing services.

The Holding Company and Subsidiary Company together referred as the Group.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) COMPLIANCE WITH IND AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

(b) BASISFOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative financial instruments) that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

The consolidated financial statements incorporate the financial statements of the holding company, its subsidiary being the entity that it controls. Control is evidenced where the holding company has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

The consolidated financial statements include results of the subsidiary company, consolidated in accordance with Ind AS 110 (Consolidated Financial Statements).

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The principle or the most advantageous market must be accessible by the Group. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and the best use. The Group uses its valuation techniques that are approximate in the circumstances and for which data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements on recurring basis the Group determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group management determines the policies and procedures for recurring and non-recurring fair value measurement. Involvement of external valuers is decided upon annually by the Group management.

At each reporting date the Group's management analyses the movements in the values of the assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies.

(c) CURRENT AND NON- CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. An asset is treated current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle. The Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months (12 months) after reporting date
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

All other assets are classified as non – current.

A liability is current when:

- It is expected be settled in a normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settle within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The Group classifies all other liabilities as non - current. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(d) ROUNDING OF AMOUNTS

The financial statements including notes thereon are presented in Indian Rupees ("Rupees "or "Rs."), which is the Group's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Act, unless stated otherwise.

(e) USE OF ESTIMATES

In preparing Consolidated Financial Statements in conformity with Ind AS, Group's management is required to make estimates, judgements and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period, the actual results could differ from those estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialized and if material, their effects are disclosed in the notes to the financial statements.

(f) PROPERTY, PLANT AND EQUIPMENT (PPE) and OTHER INTANGIBLE ASSETS:

Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods or services or for administrative purposes are stated at cost or fair value less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price / manufacturing cost (in case of self-constructed asset), net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Depreciation is provided (other than on capital work-in-progress) using Written Down Value method over the estimated useful lives of assets. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement. The estimated useful lives of assets are stated below:

Particulars	Useful Life (in years)
Building	3 to 60
Plant and Equipment	1 to 40
Furniture and Fixtures	1 to 10
Vehicles	8 to 10
Office Equipment	1 to 13
Investment Property – Building	3 to 60

The Company, based on technical assessment made by management estimate, depreciates certain items of Plant, Property and Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. This assessment takes into account nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

Freehold land is not depreciated.

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

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired, if any, in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss if any. Internally generated intangibles excluding capitalized development costs are not capitalized and the related expenditure is reflected in statement of profit and loss in the year in which expenditure is incurred.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Amortization is recognized on Straight Line Method basis over their estimated useful life of 3 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

As summary of amortization policies applied to the Group's acquired intangible assets is given as under.

INVESTMENT PROPERTIES

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss if any.

The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the profit or loss as incurred.

The Group depreciates building component of investment property over years from the date of original purchase / date of capitalisation.

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by Group, is classifieds investment property.

Investment properties are derecognised either when they have been disposed or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The difference between net disposal proceeds and carrying amount of the asset is recognised in the profit or loss in the period of de-recognition.

Depreciation on building is provided over its useful life as mentioned above using the written down value method as per the provisions of Schedule II to the Companies Act, 2013.

(g) LEASES

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group 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 Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

lease, it considers all relevant facts and circumstances that create an economic incentive for Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

As a lessee

The Group accounts for each lease component within the contract as lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

For transition, the Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

As a lessor

At the inception of the lease Group classifies each of its leases as either an operating lease or a finance lease. Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

(h) IMPAIRMENT OF NON- FINANCIAL ASSETS (TANGIBLE AND INTANGIBLE)

At the end of each reporting period, Group reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of individual asset, Group estimates the recoverable amount of the cash generating unit to which an individual asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest the Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit or Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized immediately in the Statement of Profit or Loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. Impairment losses of continuing operations including impairment on inventories are recognised in the statement of profit and loss except for properties previously revalued with revaluation surplus taken to OCI. For such properties the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

(i) INVENTORIES

Inventories are valued as follows:

Raw materials, stores and spares, Material in transit, packing materials, crops in progress and Petroleum products

The Raw materials, stores and spares, Material in transit, packing materials, crops in progress and Petroleum products valued at lower of cost and net realisable value. However,

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on Moving Weighted Average basis.

Cost comprises costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Molasses, molasses in process, own Bagasse and scrap are valued at net realisable value.

Finished goods

Valued at lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods excludes excise duty. Excise duty is provided on manufacture of goods, which are not exempt from the payment of duty.

Work-in-process

Valued at lower of cost up to estimated stage of process and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

By-products

By-products are valued at net realizable value. Inter-unit transfers of by- products also include the cost of transportation, duties, etc.

(j) REVENUE RECOGNITION

With effect from 1st April 2018 Ind AS 115 pertaining to Revenue from Contracts with Customers has replaced the earlier revenue recognition standard Ind AS 18 revenue recognition. Ind AS 115 applies to contract with customer and establishes principles on reporting the nature, amount, timing and uncertainty of revenue and cash flows arising from such contracts with customer. Group has adopted modified retrospective approach. As per the approach entities will recognise cumulative effect initially applying Ind AS 115 as an adjustment to the opening balance of equity at the date of initial application. Since the impact of the same was immaterial same has not been considered in the books of Group. This Ind AS does not deal with revenue from lease contracts, insurance contracts, financial instruments and other contractual rights and obligations. It also scopes out non – monetary exchanges between entities in similar business to facilitate sale to customers or potential customers. Revenue recognition is based on the five-step revenue recognition model.

- Identifying the contract with customer.
- Identifying the performance obligations in the contract.
- Determining the transaction price.
- Allocation of transaction price.
- Recognition of revenue when (or as) a performance obligation is satisfied.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Each distinct goods or service that an entity promises to transfer is a performance obligation.

Group adjusts the promised amount of consideration for the effects of time value of money if payment by the customer occurs either significantly before or significantly after the performance. The interest income or interest expense resulting from a significant financing component is presented separately from revenue, unless interest income represents ordinary activity.

Considering the nature of business of the entity, accounting for warranties prescribed by the standard is not applicable to Group.

Contract modifications are accounted for as either separate or as a part of the existing contract depending on the nature of the modification.

Costs to obtain contracts and fulfil the contracts are recognised as assets. Such recognized assets are amortised over the period that the performance obligation is satisfied and are periodically reviewed for impairment. Costs. Recognition is subject to the following clause fulfilment:

- Costs are directly related to a contract or specific contract and;
- Costs generate or enhance resources used in satisfying performance obligation and;
- Entity expects to recover the costs.
- Income from services is recognised as they are rendered (based on agreement/arrangement with the concerned customers).

Revenue in respect of insurance / other claims, interest, subsidy, incentive, etc. is recognized only when it is reasonably certain that the ultimate collection will be made.

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(k) INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

(l) GOVERNMENT GRANTS AND ASSISTANCE

Grants and subsidies from Government are recognized when there is reasonable assurance that (i) Group will comply with the conditions attached to them and (ii) the grant/subsidy will be received.

When the grant subsidy relates to revenue, it is recognized as income on a systematic basis on the statement of profit and loss over the periods necessary to match them with the related

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

costs which they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are reduced from the gross book value of property, plant and equipment.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as government grant. The loan or assistance is initially recognized and measured at fair value and government grant is measured as the difference between initial carrying value of the loan and proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. Currently Group does not have any grant/assistance that qualifies for such accounting treatment.

(m) FOREIGN CURRENCIES

The financial statements are presented in Indian rupees, which is also the functional currency of Group.

Transactions and Balances

Transactions in currencies other than Group's functional currency are recognized at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date. Exchange rate differences arising on settlement or translation of monetary items are recognized in profit and loss statement.

Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined (in case measured at fair value). The gain/ loss on the change of fair value of item (i.e. translation differences on items whose fair value or loss is recognized on OCI (other comprehensive income) or profit or loss are also recognized in OCI or profit or loss, respectively).

Foreign exchange differences are recognized in profit or loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

(n) INVESTMENTS

Group has measured its investments at Cost except for following:

(i) Investments in Mutual Fund are valued at fair market value using NAV as on 31st March 2022.

(ii) Investment in Preference shares of Synergy Green Industries Ltd is valued at fair market value using discounted cash flows.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(o) EMPLOYEE BENEFITS

Short Term Employee Benefits

Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Other Long-Term Employee Benefits

Group provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, it is not expected that the entire accumulated leave shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as long-term defined benefit. The liability is provided for based on the number of days of unutilised leave at the Balance Sheet date on the basis of an independent actuarial valuation.

Post Employment Benefits

(i) Defined Contribution Plans

The eligible employees of Group are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and Group make monthly contributions at a specified percentage of the covered employees' salary. Group is maintaining separate trust for Provident Fund and recognises such contributions made to the trust as expense of the year in which the liability is incurred.

(ii) Defined Benefit Plans

Group has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. Group makes annual contributions to Gratuity Fund and Group recognises the liability for Gratuity benefits payable in future based on an independent actuarial valuation.

(p) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(q) INCOME TAX

Current income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or statement of profit and loss.

Deferred Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are accepted to apply when the related deferred and income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that Group will pay normal income tax during the specified period.

(r) PROVISIONS

Provisions are recognized when Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pretax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

CONTINGENT LIABILITIES

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(s) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when Group becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Initial Recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 Business Combinations applies are classified as at FVTPL. For all other equity instruments, Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. Group makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable. If Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Investment in equity shares, compulsorily convertible debentures and compulsory convertible preference shares of subsidiaries, associates and joint ventures have been measured at cost less impairment allowance, if any.

De- recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

- Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through 'arrangement; and either:

  a) Group has transferred substantially all the risks and rewards of the asset, or

  b) Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, Group continues to recognise the transferred asset to the extent of Group's continuing involvement. In that case, Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from Contracts with Customers.

d) Loan commitments which are not measured as at FVTPL

e) Financial guarantee contracts which are not measured as at FVTPL

Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on life time ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivables balance and historical experience. Individual trade receivables are written off when management deems them not to be collectable.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income /expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, Group does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk is recognized in OCI. These gains / losses are not subsequently transferred to P&L. However, Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. Group has not designated any financial liability as at fair value through profit and loss.

This is the category most relevant to Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss or allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Group on a contract by contract basis, elects to account for financial guarantee contracts, as a financial instrument or as an insurance contract, as specified in Ind AS 109 of Financial Instrument and Ind AS 104 on Insurance Contracts. For insurance contract, Group performs a liability adequacy test (i.e. assesses the likelihood of any pay-out based on current discounted estimates of future cash flows), and any deficiency is recognised in statement of profit and loss.

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

De-recognition

A financial liability is de -recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Foreign exchange gains and losses

Financial liabilities denominated in a foreign currency are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in away similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

Reclassification of financial assets and liabilities

Group determines 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. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. Group's senior management determines change in the business model as a result of external or internal changes which are significant to Group's operations. Such changes are evident to external parties. A change in the business model occurs when Group either begins or ceases to perform an activity that is significant to its operations. If Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, Group formally designates and documents the hedge relationship to which Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cashflow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The forward currency contracts are used as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

iii) Foreign exchange forward contract

While Group entered into other foreign exchange forwards contract with the intention of

reducing the foreign exchange risk of expected sales and purchases, these other contracts are not designated in hedge relationship and are majored at share value through profit and loss account.

(t) NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale.

(u) DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(v) CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(W) EARNINGS / (LOSS) PER SHARE:

Basic earnings / (loss) per share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for any bonus shares, share splits or reverse splits issued during the year and also after the balance sheet date but before the date the financial statements are approved by the board of directors. For the purpose of calculating diluted earnings / (loss) per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, share splits or reverse splits as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

(x) SEGMENT REPORTING

Group's Segment predominantly based on Sugarcane based produce and allied activities. The Operational Segments constitute of Sugar, Industrial Alcohol, Potable Alcohol, Co – Generation and Petroleum products Sale. As regards to Geographical Segments, the segments are located at Ugarkhurd and Jewargi. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance management. Segment performance is evaluated based on profit or loss and is measured consistently with the profit and loss of standalone statements.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted by Group, with the following additional policies for segment reporting:

(i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market led.

(ii) Segment Revenue, Segment Expenses, Segment Assets and Segment Liabilities have been identified to segments on reasonable basis of their relationship to the operating activities of the segment from the internal reporting system.

(iii) Gains/losses from transactions in commodity futures, which are ultimately settled net, with/without taking delivery, are recorded as 'Other revenues' under the Sugar segment.

(iv) Revenue, Expenses, Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated".

(y) RESEARCH AND DEVELOPMENT

Research Costs are expensed as incurred. Expenditure on Research is considered as cost for valuation of inventory and expenditure related to capital asset is the grouped with property plant and equipment under appropriate head and depreciation is provided at the applicable rate. Group will recognize development expenditure as intangible assets when Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on a straight-line basis over the period of expected future benefit from the related project, i.e., the estimated useful life. Amortisation is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE C: CORPORATE INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES:

z) SUBSIDIES RECEIVED

Subsidies received towards specific fixed assets are reduced from gross book value of the concerned fixed assets. Subsidies received relating to revenue expenditure is deducted from related expense.

(aa) CONSOLIDATION OF ACCOUNTS

Ugar Theatre Pvt. Ltd. is a Subsidiary company. hence consolidation of accounts as per the provisions of Ind AS 110 and other relevant provisions of the Companies Act, is considered.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of Group's accounting policies, which are described in Note No. C-2, the Management of Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the Management has made in the process of applying Group's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the cash-generating unit. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise.

Useful lives of property, plant and equipment

Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the management has determined that no changes are required to the useful lives of assets.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	Financial Year 31st March 2021
Note D: Other Information		
1 Contingent Liabilities not provided for		
Claims against the Company not acknowledged as debts		
a. Excise Duty / Service Tax, Liability Disputed	395.26	395.26
b. Income Tax, Liability Disputed	957.34	199.59
c. Sales Tax, Liability Disputed	20.14	20.14
d. "Corporate Guarantees given to the Bankers for loans given to the Harvesting & Transport Contractors - (The due date for repayment of the loans shall be 12 months from the first disbursement)."	6,500.00	7,900.00
e. Bank Guarantee	1,000.00	1,000.00
In relation to matters mentioned in point no a, b and c above, the Company has filed appeals before appropriate appellate authorities. Future cash outflow, if any, in respect of the following matters are determinable only on receipt of judgments/decisions pending at various stages before the appellate authorities. The matters in which the management is not certain that same would be resolved in favour of the Company, has been adequately provided. Further, in relation to certain matters mentioned in point b, the Company has received the demand notice from the Authority and the appeal is yet to be filed by the Company.		
2 Commitments		
a. Estimated amounts of contracts remaining to be executed on capital account	820.30	824.96
3 Value of imports calculated on CIF basis		
Machinery Spares -	-	-
4 Expenditure in foreign currency		
a. Travelling	3.28	-
5 Earning per share		
a. Profit after tax as per the Profit & Loss Account	4,332.84	1,705.06
b. Weighted average of No. of Shares	1,125.00	1,125.00
c. Basic and Diluted Earning per share of Nominal Value of Rs.1/- each	3.85	1.52
6 Future Minimum Lease Rentals in respect of Buildings		
a. Given on lease		
i. Receivable within one year	11.12	8.41
ii. Receivable between one year and five years	35.69	8.37
iii. Receivable after five years	14.71	24.36

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	Financial Year 31st March 2021
Note D: Other Information		
b. Taken on lease		
i. Payable within one year	21.72	36.93
ii. Payable between one year and five years	–	20.80
iii. Payable after five years	–	–
The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.		
7 Value of Imported and Indigenous Raw Material Consumed and percentage thereof to total consumption		
a. Value		
Imported	–	–
Indigenous	93,955.51	74,242.21
b. Percentage		
Imported	–	–
Indigenous	100%	100%
8 Value of Raw Material Consumed in Note B-22A includes additional cane price relating to earlier season/s	–	–
9 Segment Reporting		
I. Primary Segment Information (Business Segments)		
Revenue		
External Operating Income		
Sugar (Including Export Incentive on Sale of Sugar)	94,601.16	77,301.12
Electricity	4,866.03	4,438.00
Petrol Pump	4,769.59	4,065.69
Industrial Alcohol	5,732.47	5,940.94
Potable Alcohol	20,189.65	20,050.73
Total	**1,30,158.90**	**1,11,796.48**
Inter-segment Sales		
Sugar	16,969.98	12,911.65
Electricity	11,889.40	8,822.05
Industrial Alcohol	2,484.49	2,089.50
Total	**31,343.87**	**23,823.20**
Total Revenue		
Sugar	1,11,571.14	90,212.77
Electricity	16,755.43	13,260.05
Petrol Pump	4,769.59	4,065.69
Industrial Alcohol	8,216.96	8,030.44
Potable Alcohol	20,189.65	20,050.73
Total	**1,61,502.77**	**1,35,619.68**

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*
Note D: Other Information		
9 Segment Reporting		
II Primary Segment Information(Business Segments)		
Segment Results (Gross)		
Sugar	10187.73	*5335.21*
Electricity	2548.66	*2924.87*
Petrol Pump	68.19	*87.62*
Industrial Alcohol	698.28	*542.88*
Potable Alcohol	(50.88)	*409.69*
Total	**13,451.98**	***9,300.27***
Less: Unallocated Corporate Expenses	4,684.79	*3,765.35*
Operating Profit	8,767.19	*5,534.92*
Less:		
Finance Costs	4,353.85	*4,261.31*
Other Income	(223.48)	*(586.52)*
Profit from Ordinary Activities	4,636.82	*1,860.13*
Exceptional Items	-	-
Profit before tax	4,636.82	*1,860.13*
9 Segment Reporting		
III Primary Segment Information (Business Segments)		
Segment Assets		
Sugar	83,407.05	*73,099.53*
Electricity	8,562.34	*6,226.90*
Petrol Pump	98.56	*67.54*
Industrial Alcohol	16,162.09	*2,083.10*
Potable Alcohol	2,560.54	*3,479.10*
	1,10,790.58	***84,956.17***
Add: Unallocated Corporate Assets	5,574.23	*4,386.57*
	1,16,364.81	***89,342.74***
Primary Segment Information (Business Segments)		
Segment Liabilities		
Sugar	31,638.68	*20,181.97*
Electricity	686.36	*530.22*
Petrol Pump	4.05	*3.50*
Industrial Alcohol	1,149.26	*102.28*
Potable Alcohol	385.70	*579.43*
Total	33,864.05	*21,397.40*
Add: Unallocated Corporate Liabilities	70,324.52	*59,895.35*
	1,04,188.57	***81,292.75***
Capital Expenditure		
Sugar	339.71	*122.68*
Electricity	5.76	*8.91*
Industrial Alcohol	10,768.49	*250.30*
Potable Alcohol	0.07	*57.45*
Unallocated	65.92	*49.44*
	11,179.95	***488.78***

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*
Note D: Other Information		
9 Segment Reporting		
IV Primary Segment Information (Business Segments)		
Depreciation and Amortisation		
Sugar	684.93	*748.56*
Electricity	276.43	*299.30*
Petrol Pump	0.07	*0.02*
Industrial Alcohol	66.74	*73.67*
Potable Alcohol	11.85	*8.90*
Unallocated	108.03	*112.17*
Total	**1,148.05**	***1,242.62***
Non-cash expenses other than depreciation		
Sugar	–	–
Electricity	–	–
Petrol Pump	–	–
Industrial Alcohol	–	–
Potable Alcohol		
Total	–	–

V The Company does not have any Secondary Reportable Segments.

VI Significant Accounting Policies relating to Segment Reporting

a. Business Segments are determined on the basis of the goods manufactured and in accordance with Ind AS 108.

b. Inter-segment transfers are recorded at cost except for own generated Bagasse and Molasses, cost of which is unascertainable and which are recorded at Net Realisable Value.

c. Segment report is prepared in conformity with accounting policies adopted for preparing and presenting financial statements.

d "Information about major customers
Revenues (net of indirect taxes) for the year ended March 31, 2022 includes revenues aggregating to approximately Rs.30723.37 Lakhs (March 31, 2021 – Rs.30920.20 Lakhs) from Company's 5 largest customers."

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*

Note D: Other Information (Contd...)

Disclosure with respect to IND AS-19

The Company has implemented Revised Accounting Standard - IND AS 19 on Employee Benefits and made the provisions accordingly. The disclosure as per revised IND AS-19 are produced below:

a. Gratuity

In accordance with the applicable laws, the Company provides for gratuity, a defined retirement plan (Gratuity Plan) covering all staff, workers and officers. The Gratuity Plan provides for, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a Gratuity Trust which in turn mainly contributes to Life Insurance Corporation of India (LIC) for this purpose. Under this plan, the settlement obligation remains with the Gratuity Trust. LIC administers the plan and determines the contribution premium required to be paid by the Trust. The Company has also obtained an independent actuarial valuation of the Trust's Assets and Liabilities, and accordingly, the difference has been provided by the Company. The gratuity liability has been paid by the Company in case of employees, who left during the current period.

Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognised and charged off for the year are as under:

Employer's contribution to Superannuation Fund	30.00	*32.06*
Employer's contribution to Pension Scheme	151.17	*154.93*

Defined Benefit Plan:

The Employees' Gratuity Fund Scheme managed by Life Insurance Corporation of India is a defined benefit plan.

I. Changes in present value of obligations (PVO):		
PVO at the beginning of the period	3,157.72	3,114.32
Interest Cost	202.34	204.11
Current Service Cost	140.49	138.31
Past Service Cost (non vested cost)		
Past Service Cost (vested cost)	-	-
Benefits Paid	(275.47)	(312.42)
Actuarial (gain) / loss on obligation	(23.47)	13.40
PVO at the end of the period	3,201.61	3,157.72

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*
Note D: Other Information (Contd...)		
II Interest Expenses		
Interest Cost	202.34	*204.11*
III Fair Vale of Plan Assets		
Fair value of Plan Assets at the beginning	1,736.28	*1,692.36*
Interest Income	116.81	*114.62*
IV Net Liability at beginning of period		
PVO at beginning of period	3,157.72	*3,114.32*
Fair Value of the Assets at beginning report	1,736.28	*1,692.36*
Net Liability at the beginning of period	1,421.44	*1,421.96*
V Net Interest		
Interest Expenses	202.34	*204.10*
Interest Income	(116.81)	*(114.62)*
Net Interest	85.53	*89.49*
VI Actual Return on Plan Assets	119.97	*106.20*
Interest income included above	116.81	*114.62*
Return on plan assets excluding interest income	3.16	*(8.42)*
VII Actuarial (Gain)/Loss on obligation		
Due to Demographic Assumption	-	-
Due to Financial Assumption	(84.62)	43.15
Due to Experience	61.16	(29.75)
Total Actuarial (Gain)/Loss	(23.46)	13.40
VIII Fair Value of Plan Assets		
Opening Fair Value of Plan Asset	1,736.28	1,692.36
Adjustment to the opening fund	-	
Return on Plan Assets excl.interest income	3.16	(8.42)
Interest Income	116.81	114.62
Contributions by Employer	51.25	50.00
Contributions by Employee	–	–
Benefits Paid	(36.97)	(112.28)
Fair Value of Plan Assets at end	1,870.53	1,736.28
IX Past Service Cost Recognised		
Past Service Cost-(non vested benefits)	–	–
Past Service Cost-(vested benefits)	–	–
Average remaining future service till vesting of the benefit.	–	–
Recognised past service cost -non vested benefits	–	–
Recognised past service cost - vested benefits	–	–
Unrecognised Past Service Cost-non vested benefits	–	–

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*
Note D: Other Information (Contd...)		
X Amount to be recognised in the Balance Sheet and Profit and Loss Account.		
PVO at end of period	3,201.61	*3,157.72*
Fair Value of Plan Assets at end of period	1,870.53	*1,736.28*
Net Asset/(Liability) recognised in the Balance Sheet	1,331.08	*1,421.44*
XI Expense recognised in the statement of P & L A/c.		
Current Service Cost	140.49	*138.30*
Net Interest	85.53	*89.49*
Past Service Cost-(non vested benefits)		
Past Service Cost-(vested benefits)		
Curtailment Effect		
Settlement Effect		
Unrecognised Past Service Cost –non vested benefits		
Expense recognised in the statement of P & L A/c.	226.02	*227.79*
XII Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognised for the period	(23.47)	*13.40*
Asset limit effect	–	–
Return on Plan Assets excluding net interest	(3.15)	*8.42*
Unrecognised Actuarial (Gain)/Loss from previous period	–	–
Total Actuarial (Gain)/Loss recognised in (OCI)	(26.62)	*21.82*
XIII Movements in the Liability recognised in Balance Sheet.		
Opening Net Liability	(1,421.44)	*(1,421.96)*
Adjustment to opening balance	–	–
Expenses as above	(226.02)	*(227.79)*
Benefits Paid by Company	238.51	*200.14*
Contribution paid	51.25	*50.00*
Other Comprehensive Income(OCI)	26.62	*(21.82)*
Closing Net Liability	(1,331.08)	*(1,421.44)*
XIV Schedule III of The Companies Act 2013		
Current Liability	1,331.08	*1,421.44*
XV Projected Service Cost 31 March 2022	131.28	*131.27*
Unrecognised Actuarial (Gain)/Loss from previous period		
Average remaining future service till vesting of the benefit		
XVI Asset Information		
Cash and Cash Equivalents		
Gratuity Fund(LIC of India)	1,870.53	*1,736.28*
Debt Security (Gvt.Bond)		
Equity Securities -Corporate debt securities		
Other Insurance contracts		
Property		
Total itemized Assets	1,870.53	*1,736.28*

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	Financial Year 31st March 2021
Note D: Other Information (Contd...)		
XVII Assumptions as at:		
Mortality		
Interest / Discount Rate	7.10%	6.70%
Rate of increase in compensation	6.00%	6.00%
Rate of return (expected) on plan assets	6.70%	6.90%
Expected average remaining service (In Years)	8.43	10.62
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary.		
b. Provident Fund		
I. Changes in Present Value of expected interest rate short fall.		
Present value of expected interest rate shortfall as at the beginning of the period	8140.22	7,901.34
Acquisition Adjustment		
-		
Interest Cost	506.30	511.40
Past Service Cost	0	8.38
Current Service Cost	242.80	215.89
Curtailment Cost/(Credit)		
Settlement Cost/(Credit)		
Benefits Paid	(1166.96)	(979.48)
Actuarial (Gain)/Loss on obligations.	(104.25)	(72.19)
Present value of expected interest rate shortfall as at the end of the period.	8175.30	8,140.22
II Changes in Fair Value of plan assets.		
Fair value of plan assets at the beginning of the period.	8221.15	7,951.16
Acquisition Adjustment.		–
Interest Income	534.41	536.09
Contributions		
Amount transferred to cover shortfall		
Amount paid on settlement		
b. Actuarial Gain/(Loss) on plan assets	237.38	97.43
Fair value of plan assets at the end of the period.	8503.22	8,221.15
III Actuarial Gain/Loss recognised.		
Actuarial (Gain)/Loss for the period-obligation	8175.30	8,140.22
Actuarial (Gain)/Loss for the period-plan assets	8503.22	8,221.15
Total (Gain)/Loss for the period	327.92	80.93
Actuarial (Gain)/Loss recognised in the period.	327.92	80.93
Unrecognised actuarial Gain/Loss at the of period.		

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	Financial Year 31st March 2022	*Financial Year 31st March 2021*
Note D: Other Information (Contd...)		
IV The amount to be recognised in the Balance Sheet.		
Present value of expected interest rate shortfall as at the end of the period.	0	–
Fair value of the plan assets at the end of the period.(Surplus	–	–
Account)	221.08	*180.52*
Surplus/(Deficit)	49.82	*80.93*
Unrecognised actuarial (Gain)/Loss	–	–
Net asset/(liability) recognised in the Balance Sheet.	49.82	*80.93*
V Amount recognised in Statement of Other Comprehensive Income		
Opening amount recognised in OCI outside profit & loss account	(13.53)	*22.52*
Remeasurement for the period -Obligation (Gain)/Loss	10.63	*82.05*
Remeasurement for the period -Plan Assets(Gain)/Loss	(237.38)	*(97.43)*
Total remeasurement cost/(credit) for the period recognised in OCI	(226.75)	*(15.37)*
Closing amount recognised in OCI outside profit & loss account	(240.28)	*7.14*
VI Expenses recognised in the statement of profit & loss		
Current Service Cost	242.80	*215.89*
Acquisition (Gain)/Loss		
Past service cost		
Net Interest (Income) /Expense	(28.11)	*(24.69)*
Curtailment (Gain)/Loss		
Settlement (Gain)/Loss		
Net periodic benefit cost recognised in the statement of profit & loss at the end of the period.	214.69	*191.20*
VII Total Expenses recognised in the Statement Of Profit & Loss		
Expenses recognised in the statement of Profit & Loss with with respect to expected interest rate shortfall	214.69	*191.20*
Expense relating to the contributions made by the employer	242.80	*215.89*
Total expense at the end of period.	(28.11)	*(24.69)*
VIII Assumptions as at:		
Mortality		
Interest/Discount Rate	7.10%	*6.70%*
Interest rate declared by EPFO for the period.	8.10%	*8.50%*
Yield Spread	1.50%	*1.50%*
Expected Rate of Return on plan asset	6.70%	*6.90%*
Expected average remaining working lives of employees (in years)	19.01	*15.71*

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

Note D: Other Information (Contd...)

Disclosure of Related Parties & Related Party Transactions :

I Names of the related parties with whom transactions were carried out during the year and description of relationship

	1 Key Management Personnel (KMP)	**Designation**
I	Shri. Niraj Shishir Shirgaokar	Managing Director (MD)
II	Shri. Chandan Sanjeev Shirgaokar	Managing Director (MD)
III	Shri.S.V.Bhat	Manager Finance
iv	Shri.Tushar Deshpande	Company Secretary

2 Relatives of Key Management Personnel

	Name of the transacting related party	Nature of relationship
I	Shri. Shishir Suresh Shirgaokar	Father of MD–Shri.Niraj S. Shirgaokar
II	Sou. Savita Shishir Shirgaokar	Mother of MD–Shri.Niraj S. Shirgaokar
iii	Sou. Asawari Niraj Shirgaokar	Wife of MD–Shri. Niraj S. Shirgaokar
iv	Shri. Arjun Niraj Shirgaokar	Son of MD–Shri. Niraj S. Shirgaokar
v	Kum. Anjini Niraj Shirgaokar	Daughter of MD-Shri. Niraj S. Shirgaokar
vi	Smt. Radhika Sanjeev Shirgaokar	Mother of MD–Shri.Chandan S. Shirgaokar
vii	Sou. Geetali Chandan Shirgaokar	Wife of MD-Shri. Chandan S. Shirgaokar
viii	Kum. Swara Chandan Shirgaokar	Daughter of MD-Shri. Chandan S. Shirgaokar
ix	Shri. Sohan Sanjeev Shirgaokar	Director & Brother of MD–Shri.Chandan S. Shirgaokar
x	Sou. Gouri Sohan Shirgaokar	Wife of Director-Shri. Sohan S. Shirgaokar.
xi	Sanjeev Suresh Shirgaokar-HUF	Smt. Radhika S. Shirgaokar is the Mother of MD Shri. Chandan S. Shirgaokar
xii	Gyanshree Enterpreises	Smt. Radhika S. Shirgaokar is the Properitor and Mother of MD Shri. Chandan S. Shirgaokar

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

Note D: Other Information (Contd...)

3 Enterprises over which KMP or Relatives of KMP are able to exercise significant influence

	Name of the related party	Nature of relationship
i	S. B. Reshellers Pvt. Ltd.	Shri.R.V.Shirgaokar-Brother of Director, Shri.P.V.Shirgaokar-Director, Shri. Shishir Shirgaokar-Chairman, Shri.Niraj Shirgaokar-MD, Shri.Chandan Shirgaokar-MD, Shri.Sachin Shirgaokar and Shri. Sohan Shirgaokar are the Directors.
ii	Sangli Fabricators Pvt Ltd	Shri. Shishir Shirgaokar-Chairman, Shri.Chandan Shirgaokar-MD, Shri.Sachin Shirgaokar & Shri. Sohan S. Shirgaokar-Director's are Designated Partners.
iii	Tara Tiles Pvt Ltd.	Chairman Shri.Shishir Shirgaokar, Director Shri. P. V. Shirgaokar, Shri. Sachin R. Shirgaokar and Sohan S. Shirgaokar are Directors.
iv	Ugar Pipe Industries Pvt. Ltd.	Chairman Shri. Shishir S. Shirgaokar, MD- Shri. Chandan S. Shirgaokar, and Director Shri. P.V.Shirgaokar are Director.
v	D.M. Shirgaokar Enterprises (LLP) Pvt. Ltd.	Chairman Shri. Shishir S. Shirgaokar, MD-Shri.Chandan S. Shirgaokar, Director Shri. Sohan S. Shirgaokar and Smt. Radhikar S. Shirgaokar are the Partners.
vi	Shishir Shirgaokar Enterprises (LLP) Pvt. Ltd.	Chairman Shri. Shishir S. Shirgaokar, MD-Shri.Niraj S. Shirgaokar, Wife of Chairman and Mother of MD Mrs. Savita S. Shirgaokar and wife of MD Mrs. Asawari N. Shirgaokar are the Designated Partners.
vii	Suresh Shirgaokar Enterprises (LLP) Pvt. Ltd.	Chairman Shri. Shishir S. Shirgaokar, MD-Shri.Niraj S. Shirgaokar, Director Shri. Sohan S. Shirgaokar, Mother of Director & MD Smt.Radhika S. Shirgaokar, Wife of MD Mrs. Geetali C. Shirgaokar and Wife of Director Shri.Sohan S. Shirgaokar Mrs. Gauri Sohan Shirgaokar are the Designated Partners.
viii	Sanjeev Shirgaokar Enterprises (LLP) Pvt. Ltd.	MD-Shri.Chandan S. Shirgaokar, Director Shri. Sohan S. Shirgaokar and Mother of both Smt. Radhika S. Shirgaokar is Designated Partners.
ix	V. S. Shirgaokar Enterprises (LLP)	Shri.R.V.Shirgaokar-Brother of Director, Shri.P.V.Shirgaokar-Director, Shri.Sachin R. Shirgaokar, Mrs. Smita P. Shirgaokar is the Wife of Director P.V.Shirgaokar and Mrs. Laxmi S. Shirgaokar is the wife of Sachin R. Shirgaokar are the Directors.
x	Prafulla Shirgaokar Enterprises (LLP)	Shri.R.V.Shirgaokar-Brother of Director, Shri.P.V.Shirgaokar-Director, Mrs. Smita P. Shirgaokar is the Wife of Director Shri. P.V.Shirgaokar are the Directors.
xi	Synergy Green Industries Ltd.	Chairman-Shri. Shishir S. Shirgaokar,MD-Shri. Chandan S. Shirgaokar, Directors Shri.Sachin R. Shirgaokar, Shri.Sohan S. Shirgaokar and Dr. M.R.Desai are Directors.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE D: Other Information (contd...)

Disclosure of Related Party Transactions (Contd.)

(Amount in Rs. Lakh)

Sr. No.	Nature of Transaction	Key Management Personnel		Relatives of KMP		Related Parties referred to in 3		Total	
		2021-22	*2020-21*	**2021-22**	*2020-21*	**2021-22**	*2020-21*	**2021-22**	*2020-21*
	Remuneration Paid (incl Commission)	585.27	*571.83*	—	—	—	—	585.27	*571.83*
1	Sitting Fees Paid	—	—	4.05	*2.70*	—	—	4.05	*2.70*
2	Purchase of Plant & Machinery & Spares	—	—	—	—	477.79	*394.41*	477.79	*394.41*
3	Sales - Others/ Consultancy	—	—	—	—	7.14	*4.42*	7.14	*4.42*
4	Exempted Deposits From Directors	250.00	*250.00*	40.00	*11.98*	—	—	290.00	*261.98*
5	Deposits Refunded/ Paid	—	*150.00*	—		—	—	—	*150.00*
6	Interest Paid	11.77	*7.64*	3.80	*2.91*	—	—	15.57	*10.55*
7	Dividend Received	—	—	—	—	—	—	—	—
8	Dividend Paid	1.89	*0.90*	6.91	*3.35*	56.28	*25.97*	65.08	*30.22*
9	Warehousing Charges / Rent Paid	—	—	44.16	*44.16*	—	—	44.16	*44.16*
10	Advance in the nature of reimbursement	61.87	*7.97*	—	—	—	—	61.87	*7.97*
11	Advance adjusted against reimbursement/Repaid	23.04	*9.30*	—	—	—	—	23.04	*9.30*
12	Outstanding Balances as on 31.03.2022								
	Payables Cr	1.69	*1.14*	—	*0.29*	8.64	—	10.33	*1.43*
	Receivables Dr	0.40	*0.52*	0.86	*0.86*	29.17	*7.38*	30.44	*8.76*
	Total	**935.91**	***999.30***	**99.79**	***66.25***	**579.02**	***432.18***	**1,614.72**	*1,497.73*

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

NOTE D : Other Information (contd...)

12 The amount due to Micro and Small Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been Identified on the basis of information available with the Group. The disclosures relating to Micro and Small enterprises as at 31-03-2022:

S.No.	Description	31st March 2022 Rs. Lakhs	*31st March 2021 Rs. Lakhs*
i	Principal amount remaining unpaid to such suppliers as at the year end.	81.03	19.66
ii.	Interest due thereon remaining unpaid to the suppliers as at the year end.	–	–
iii.	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	–	–
iv.	Amount of interest due and payable for the period of delay in making payment (which have been paid, but beyond the appointed day, during the year), but without adding the interest specified under the Act.	–	0.06
v.	Amount of interest accrued during the year and remaining unpaid at the year end.	–	0.06
vi.	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	–	–

13. There are no loans and advances in the nature of loans to firms / companies in which Directors of the Company are interested.

14. FINANCIAL INSTRUMENTS

14.1 Capital Management:

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, Group may issue new shares or sell assets to reduce debt. The capital structure of Group consists of debt and total equity of the Group.

The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and borrowings. Group's policy is aimed at combination of short-term and long-term borrowings. The Group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

14.2 Categories of financial instruments:

(Amount in Rs. Lakhs)

Particulars	Carrying Amount		Fair Value	
	March 31, 2022	*March 31, 2021*	March 31, 2022	*March 31, 2021*
FINANCIAL ASSETS				
Fair value through Profit and Loss Account (FVTPL)				
Investments	356.21	*361.08*	356.21	*361.08*
Amortised Cost				
Investments	10.77	*10.77*	10.77	*10.77*
Non-Current Assets				
Security Deposit	64.67	*64.77*	64.67	*64.77*
Loans and advances	3.50	*3.50*	3.50	*3.50*
Current Assets				
Trade receivable	8887.46	*4933.93*	8887.46	*4933.93*
Cash in hand	40.84	*15.12*	40.84	*15.12*
Balance with banks in current account	583.42	*526.97*	583.42	*526.97*
Bank balances other than above	146.39	*128.69*	146.39	*128.69*
Accrued Interest On Bank Deposits	27.24	*6.01*	27.24	*6.01*
FINANCIAL LIABILITIES				
Amortised cost				
Non-Current Liabilities				
Borrowing	12,410.12	*7,038.43*	12,410.12	*7,038.43*
Current liabilities				
Short-term Borrowing	51,558.21	*43,937.90*	51,558.21	*43,937.90*
Trade and other payables	23169.03	*11,749.81*	23169.03	*11,749.81*
Other Financial Liabilities	6,922.74	*6398.20*	6,922.74	*10,837.99*

The following methods and assumptions were used to estimate the fair values:

The fair value of Trade Payables, Trade Receivables, Cash and Cash Equivalents, Other Bank Balances, Accrued interest and short term borrowings are reasonable approximation of fair value due to the short-term maturities of these instruments.

14.3 Fair Value Measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the Ind AS 113—Fair Value Measurement.

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

14.4Financial Risk management framework

The Group is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of Group.

Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Inventory Price Risk

The Group is exposed to the movement in price of principle finished product i.e. Sugar. Price of sugarcane is fixed by government. Generally, sugar production is carried out during sugarcane harvesting period from November to March. Sugar is sold throughout the year which exposes the sugar inventory to the movement in price. Company monitors the sugar price on daily basis and formulates the sales strategy to achieve maximum realisation.

Interest Rate Risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rate gives rise to interest rate risk. Almost all borrowings of Group have fixed interest rate and therefore the risk of interest rate change is not material to Group.

Credit Risk:

Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Outstanding customer receivables are regularly monitored. Group maintains its cash and cash equivalents and deposits with banks having good reputation and high quality credit ratings.

In addition, the Group is exposed to credit risk in relation to deposits related to lease premises. These deposits are not past due or impaired.

Liquidity Risk:

Liquidity risk refers to the risk that Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. Group manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturity of financial assets and liabilities:

The following tables analyses the Groups' financial liabilities with agreed repayment periods and companies expected maturity for its financial assets. In case of financial liabilities, the amount disclosed in the tables below are contractual undiscounted cash flows based on the earliest date on which Group can be required to pay and in case of financial assets, the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

(Amount in Rs. Lakhs)

Particulars	March 31, 2022					
	Less than 3 months	3 to 6 months	6 month to 1 year	Between 1 and 2 year	More than 2 years	Total Mar 2022
Financial Assets						
Non – derivative						
Non-Current Assets						
Investments				366.97		366.97
Security Deposit			–	–	64.07	64.07
Loans and advances				3.50		3.50
Current Assets						
Trade receivable	8,531.10		221.43	76.24	58.69	8887.46
Cash in hand	40.84					40.84
Balance with banks in current account	583.42					583.42
Bank balances other than above	43.69	–	–	102.70		146.39
Accrued Interest On Bank Deposits	27.24	–	–	–		**27.24**
Financial Liabilities						
Non-Current Liabilities						
Long Term Borrowing				3934.21	8475.91	12410.12
Current liabilities						
Short-term Borrowing	48251.71	1092.84	2213.66			51558.21
Trade Payable	21140.08			1128.35	161.94	22430.37
Other Financial Liabilities	6922.74					6922.74

(Amount in Rs. Lakhs)

Particulars	March 31, 2021					
	Less than 3 months	3 to 6 months	6 month to 1 year	Between 1 and 2 year	More than 2 years	Total Mar 2021
Financial Assets						
Non – derivative						
Non-Current Assets						
Investments				371.85		*371.85*
Security Deposit			–		64.77	*64.77*
Loans and advances				3.50		*3.50*
Current Assets						
Trade receivable	4624.95	141.13		147.23	20.67	*4927.6*
Cash in hand	15.12					*15.12*

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

Balance with banks in current account	526.97					526.97
Bank balances other than above	30.68	–	–	98.01		128.69
Accrued Interest On Bank Deposits	6.01	–	–	–	–	
Financial Liabilities						
Non-Current Liabilities						
Borrowing				2831.48	4206.96	7,038.44
Current liabilities						
Short-term Borrowing	80.38	80.37	138.93		48078.03	48377.71
Trade Payable	11320.10			34.50	182.12	11536.72
Other Financial Liabilities	6398.20					6398.20

15. Taxes on income

The major components of Income Tax Expense for the year ended March 2022 are.

(i) Statement of Profit or Loss

(Amount in Rs. Lakhs)

Particulars	March 31, 2022	March 31, 2021
Short/(Excess) provision of tax for earlier years	–	–
MAT Credit entitlement for earlier year	952.36	
Deferred Tax	(15.80)	(154.37)
Total Income Tax Expense	304.00	155.07

(ii) Other Comprehensive Income

(Amount in Rs. Lakhs)

Particulars	March 31, 2022	*March 31, 2021*
Deferred Tax relating to Net Gain/(Loss) on re-measurement of defined benefit plans	(8.47)	(7.68)

(iii) Movement of deferred tax **(Amount in Rs. Lakhs)**

Particulars	31-03-2022			
	Opening Balance	Recognised in profit and (Loss)	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(1907.84)	36.41		(1871.43)
Subtotal of Deferred Tax Liabilities	(1907.84)	36.41	–	(1871.43)

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

Tax effect of items constituting deferred tax assets				
Provisions	179.38	7.66	–	187.04
Other Items	794.2	(28.10)	(8.47)	757.63
Subtotal of Deferred Tax Asset	973.58	20.44	(8.47)	944.67
Net Deferred Tax Asset/ (Liabilities)	(934.26)	15.97	(8.47)	(926.76)

(iv) Movement of deferred tax **(Amount in Rs. Lakhs)**

Particulars	**31-03-2021**			
	Opening Balance	**Recognised in profit and (Loss)**	**Recognised in OCI**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(1,913.34)	5.5	–	(1907.84)
Subtotal of Deferred Tax Liabilities	(1,913.34)	5.5	–	(1907.84)
Tax effect of items constituting deferred tax assets				
Provisions	177.27	2.11	–	179.38
Other Items	654.91	131.62	(7.66)	794.2
Subtotal of Deferred Tax Asset	832.18	133.73	(7.66)	973.58
Net Deferred Tax Asset/ (Liabilities)	(1,081.16)	139.23	(7.66)	(934.26)

(v) Additional Information as required by Schedule III of Companies Act,2013 **(Amount in Rs. Lakhs)**

Name of the Entry	Net Assets		Share of Profit or Loss		Share of Comprehensive Income		Share of Total Comprehensive Income	
	As % of Consoli-dated net assets	Amount	As % of Consoli-dated Profit or Loss	Amount	As % of Consoli-dated Compre-hensive Income	Amount	As % of Consoli-dated Total Compre-hensive Income	Amount
The Ugar Sugar Works Ltd	99.09	12064.84	100.01	4333.35	94.34	17.33	99.96	4349.66
Indian Subsidiary : Ugar Theatre Private Limited	0.91	111.40	(0.01)	(0.51)	5.66	1.04	0.04	1.55
Total	100.00	12176.24	100.00	4332.84	100.00	18.37	100.00	4351.21

Notes to Consolidated Financial Statements for the Financial Year Ended 31-03-2022

16. The Group formed CSR committee as constituted pursuant to Companies Act 2013. During the year under review the group has spent of Rs. 26.53 Lakhs.

17. Note related to the impact of COVID-19 in business :

    The Government took adequate steps to ensure uninterrupted crushing operation of the sugar mills and the Holding Company has successfully completed its crushing operation of the sugar season 2020-21. The business of the subsidiary company remained unaffected. The Holding Company entered into activity of manufacturing Sanitizer during previous financial year.

    The Group has considered the possible risk that may result from the pandemic relating to COVID-19 on the carrying amounts of assets including inventories, receivables and other financial and non-financial assets, for which the Group has used the principles of prudence in applying judgments, estimates and assumptions as well as the internal / external information available up to the date of approval of these Consolidated financial statements and the same does not have any material impact on these Consolidated financial statements.

    The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these Consolidated financial statements. The Group will continue to closely monitor any material changes to future economic conditions.

18. Nomination & Remuneration Committee and Board of Directors approved additional Performance Incentive of 3% to Mr. Chandan S. Shirgaokar splendid performance of Ugar Unit and setting up of 1st phase of 200 KLPD in record time of Ethanol Plant w.e.f. 1-4-2021 for the remaining period of appointment i.e. upto 31-03-2024 and Rs.3,00,000/- per Non Executive Director and independent Directors for the Financial Year 2021-22 as Commission, subject to the approval of General Body.

19. Figures of the previous year have been regrouped / rearranged / recast where necessary.

Signatures to Notes A to D

As per our separate report of even date.
For **M/s Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn. No. 105215W/W100057

Parag Pansare
Partner
Memb. No. 117309

Place : Pune
Date : 23-05-2022

Niraj S. Shirgaokar
MD (DIN-00254525)

Chandan S. Shirgaokar
MD (DIN-00208200)

Shrikanta V. Bhat
Manager-Finance
(ACA-222060)

Tushar V. Deshpande
Company Secretary
(ACS - 45586)

Place : Regd. office Sangli
Date : 23-05-2022

The Progress of Your Company for last 25 Years

	Year Ending	Total Income	Reserves and Surplus	Fixed Assets	Rate of Dividend	Cane Crushed	Sugar Produced
		Rs. Lakh	Rs. Lakh	Rs. Lakh	%	MT	Qtls
	30th September						
1	1998	20,254.77	1,476.68	5,351.66	22.5%	11,30,355	13,10,645
2	1999	22,895.62	1,931.81	6,064.17	25%	13,99,603	15,51,260
3	2000	26,681.52	2,714.81	6,519.12	30%	14,25,023	17,16,100
4	2001	25,464.73	4,113.77	5,818.56	35%	11,89,443	14,82,057
5	2002	23,511.06	3,609.39	8,666.63	10%	12,22,416	14,32,455
6	2003	24,575.99	3,489.30	7,968.82	Nil	14,67,798	17,24,490
7	2004	20,287.75	4,201.60	8,043.91	30%	8,37,383	8,76,430
8	2005	29,822.75	4,815.51	7,402.30	20%	10,46,480	11,63,180
9	2006	48,197.14	5,402.95	10,664.00	20%	18,76,166	21,87,595
	31st March						
10	2007	30,569.86	5,579.49	16,762.13	Nil	16,68,394	19,40,351
11	2008	38,257.74	6,513.81	21,241.75	20%	19,49,390	22,11,445
12	2009	41,556.72	9,246.67	21,581.40	25%	13,19,427	14,68,445
13	2010	56,651.44	7,243.02	19,615.01	Nil	15,75,618	17,86,430
14	2011	63,331.97	7,644.60	17,524.51	Nil	17,16,325	19,40,680
15	2012	66,306.29	9,026.96	15,721.77	25%	19,43,592	22,51,160
16	2013	72,331.18	10,508.73	17,603.82	20%	15,03,593	15,83,700
17	2014	65,221.14	7,532.86	15,990.48	Nil	17,24,930	19,56,070
18	2015	65,553.46	7,170.38	17,146.16	Nil	20,07,570	23,09,560
19	2016	84,612.92	7,960.15	16,066.94	25%	20,66,671	23,23,030
20	2017	59,381.80	10,302.83	16,751.73	20%	9,92,467	10,51,815
21	2018	80,191.41	3,408.38	16,443.14	Nil	21,29,061	24,02,026
22	2019	91,217.29	3,988.28	15,227.06	Nil	19,30,354	22,79,090
23	2020	1,01,381.75	5,236.63	13,654.27	10%	16,40,957	17,90,939
24	2021	1,12,381.68	6,815.18	12,932.92	20%	22,87,128	26,40,560
25	2022	1,30,382.05	10,919.32	22,930.83	25%	27,52,249	31,08,540

Notes:

1 Bonus shares of the value of Rs. 7.47 lakh, Rs. 10.65 lakh, Rs. 16.82 lakh, Rs. 50.00 lakh, Rs. 75.00 lakh and Rs. 337.50 lakh were issued as fully paid bonus shares, respectively in the years 1950-51, 1966-67, 1973-74, 1994-95, 1997-98 and 2004-05, by capitalization of reserves.

2 The Accounting year those ended on 30-09-1995 comprised of 18 months and those ended on 31-03-2007 comprised of 6 months only.

3 Dividend for the year ended 30-09-1995 includes interim dividend.

4 Total Income includes value of sales, income from bye-products and other income, and adjustments in the value of opening and closing stocks of finished goods.

5 Figures relating to FY ended 2005-06, 2006-07 includes figures of Tasgaon and Phaltan and Since 2008-09 to till 2021-22 includes figures of Jewargi unit.

"**Celebration of crushing of 23,09,452 MT cane Highest in the History** of the Ugar Unit of The Ugar Sugar Works Limited in presence of Mr. Chandan S. Shirgaokar Managing Director, Mr. Sohan Shirgaokar Director, and all Department heads of the Ugar Sugar Works Limited"

" **Celebration of crushing of 5,29,217 MT cane Highest in the History** of the Jewargi Unit of The Ugar Sugar Works Limited in presence of Mr. Niraj Shirgaokar Managing Director, and all Department heads of the Ugar Sugar Works Limited - Jewargi Unit"

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