

DAVANGERE SUGAR

COMPANY LIMITED

CIN : U 01115KA1970PLC001949



To,

September 06, 2021

BSE Ltd.

Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400 001

Scrip Code: 543267

Sub: Annual Report for the Financial Year 2020-21

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2020-21 as per provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

The above is also uploaded on the Company's website viz. www.davangeresugars.com and the portal of the stock exchange, where the securities of the Company are listed.

You are requested to kindly take the same on record.

Thanking You,

For DAVANGERE SUGAR COMPANY LIMITED



Shamanur Shivashankarappa Ganesh

Managing Director

DIN: 00451383

Factory & Admin Office : Kukkawada - 577 525, Davangere Taluk & District. Karnataka State. INDIA.

Phone PBX : 08192-201623, 24, 25, 28, 29, 201626, Accounts direct : 08192-201789, Fax : 08192-201627

E-mail : davangeresugars@gmail.com, accounts@davangeresugars.com, material.dscl@gmail.com,

Website : www.davangeresugars.com

Regd. Office :

73/1, P.B. No. 312, Shamanur Road, Davangere-577 004. Karnataka State. INDIA.

Phone : 08192-222022 to 26 Fax : 08192-222028, E-mail : ssg555@gmail.com,

Corporate Office :

No. 19, Shivashankar Plaza, 3rd Floor, Richmond Circle, Lalbagh road, Bangalore-27. Karnataka State. INDIA

Phone : 080 - 22272183 Fax : 080 - 22222779



ANNUAL REPORT 2020-2021



50^{ನೇ} ವಾರ್ಷಿಕ ವರದಿ

ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಅಮಿಟೆಡ್
DAVANGERE SUGAR COMPANY LIMITED



Table of Contents

| Sl. No. | Particulars | Page No. |
|---------|---|----------|
| 1. | Notice | 2-13 |
| 2. | Directors' Report | 14-30 |
| 3. | Report on Corporate Governance | 37-45 |
| 4. | Form MGT9 | 46-52 |
| 5. | Form MR3 | 53-56 |
| 6. | Independent Auditors' Report | 57-63 |
| 7. | Financial Statements & Notes Forming part of Accounts | 64-104 |

ROUTE MAP FOR THE AGM VENUE

VENUE : THOGATAVEERA SAMUDHAYA BHAVANA, M.C.C. 'A' BLOCK, DAVANGERE – 577 004.





NOTICE

NOTICE IS HEREBY GIVEN THAT THE 50th ANNUAL GENERAL MEETING OF THE MEMBERS OF DAVANGERE SUGAR COMPANY LIMITED WILL BE HELD ON WEDNESDAY, 29TH OF SEPTEMBER 2021 AT THOGATAVEERA SAMUDHAYA BHAVANA, M.C.C. 'A' BLOCK, DAVANGERE – 577 004 AT 11.00 AM. TO TRANSACT THE FOLLOWING BUSINESS:-

I. ORDINARY BUSINESS

01. To receive, consider and adopt the Audited Financial Statements of the company including the Balance Sheet of the Company as at 31st March, 2021 and the Statement of Profit and Loss of the Company and the Cash Flow Statement and other Annexures thereof for the financial year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon.

02. To appoint Mr. Abhijith Ganesh Shamanur (DIN: 03451918), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

03. To appoint Statutory Auditor of the Company :

To appoint Statutory Auditors and authorise Board of Directors to fix remuneration of M/s. D G M S & Co, Chartered Accountant, (Firm Registration No. 0112187W.) for a term five consecutive years.

To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 read with the rules made thereunder, M/s. D G M S & Co, Chartered Accountant, (Firm Registration No. 0112187W.) who have confirmed their eligibility for appointment, be and is hereby appointed as the Statutory Auditors of the Company for a term of five consecutive years i.e., from conclusion of the 50th Annual General Meeting upto the conclusion of 55rd Annual General Meeting of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of section 142 and other applicable provisions, if any, of the Companies Act, 2013 including any modification(s) or amendment thereof, the Board of Directors of the Company be and is hereby authorised to decide and fix the remuneration of M/s. D G M S & Co, Chartered Accountant, (Firm Registration No. 0112187W.) as Statutory Auditors of the Company.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

II. SPECIAL BUSINESS

04. Appointment of Cost Auditor : To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sub-section (3) of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Mr. M. R. Krishna Murthy, Cost Accountant, (having Reg No. FCMA7658) appointed by the Board of Director of the Company as Cost Auditor to conduct the audit of cost records maintained by the Company for the financial year 2020-21 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus GST as applicable and reimbursement of out of pocket expenses incurred be and is hereby ratified.”

05. To consider and if thought fit, to pass, with or without modifications, the following Resolution, as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s)



or reenactment(s) thereof, for the time being in force), and any other Regulatory provisions, approval of the Company be and is hereby accorded, for payment of remuneration to Mr. Abhijith Ganesh Shamanur (DIN : 03451918), Executive Director, for an amount not exceeding Rs. 36,00,000 per annum with effect from April 1, 2021.

RESOLVED further that pursuant to the relevant provisions of the Companies Act, 2013, in the event of absence or inadequacy of net profit in any financial year, the remuneration payable to Mr. Abhijith Ganesh Shamanur (DIN: 03451918) would be at the same substantive level for which the approvals have been obtained from the Board of Directors and the shareholders of the Company, subject to the any other approvals (including statutory approvals), if necessary.

RESOLVED further that any of the Directors of the Company or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, things and take such actions as may be required to give effect to this resolution.”

Date: August 30, 2021
Place: Davangere
Registered Office
73/1, Post Box No.312,
Shamanur Road, Davangere.
KA:- 577004.

By Order of the Board
For Davangere Sugar Company Limited
Sd/-
S. S. Ganesh
Managing Director
DIN: 00451383



ನೋಟೀಸ್

ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಲಿ., ಕುಕ್ಕುವಾಡ, ಈ ಕಂಪನಿಯ ಸಮಸ್ತ ಷೇರುದಾರರಿಗೆ ಈ ನೋಟೀಸ್ ಮೂಲಕ ತಿಳಿಯಪಡಿಸುವುದೇನೆಂದರೆ, ದಿನಾಂಕ 29ನೇ ಸೆಪ್ಟೆಂಬರ್ 2021ನೇ ಬುಧವಾರ ಬೆಳಿಗ್ಗೆ 11.00 ಘಂಟೆಗೆ ತೋಟವೀರ ಸಮುದಾಯ ಭವನ, ಎಂ.ಸಿ.ಸಿ 'ಎ' ಬ್ಲಾಕ್, ದಾವಣಗೆರೆ, ಈ ಸ್ಥಳದಲ್ಲಿ ಮೇಲ್ಕಂಡ ಕಂಪನಿಯ ಸಮಸ್ತ ಷೇರುದಾರರ 50ನೇ ವಾರ್ಷಿಕ ಮಹಾಸಭೆಯನ್ನು ಕರೆಯಲಾಗಿದ್ದು ಮತ್ತು ಮಹಾಸಭೆಯಲ್ಲಿ ಈ ಕೆಳಗಿನ ಕಾರ್ಯಕಲಾಪಗಳನ್ನು ನಡೆಸಿಕೊಡಲು ಷೇರುದಾರರಿಗೆ ಈ ನೋಟೀಸ್ ಮೂಲಕ ತಿಳಿಸಲಾಗಿದೆ.

ಸಾಮಾನ್ಯ ಕಲಾಪ :

1. ಕಂಪನಿಯ ಬ್ಯಾಲೆನ್ಸ್ ಶೀಟ್, ಮಾರ್ಚ್ 31, 2021 ರಂತೆ ಕಂಪನಿಯ ಲೆಕ್ಕಪರಿಶೋಧಿತ ಹಣಕಾಸು ಹೇಳಿಕೆಗಳನ್ನು ಸ್ವೀಕರಿಸಲು, ಪರಿಗಣಿಸಲು ಮತ್ತು ಅಳವಡಿಸಿಕೊಳ್ಳಲು ಮತ್ತು ಕಂಪನಿಯ ಲಾಭ ಮತ್ತು ನಷ್ಟದ ಹೇಳಿಕೆ ಮತ್ತು ನಗದು ಹರಿವಿನ ಹೇಳಿಕೆ ಮತ್ತು ಅದರ ಇತರ ಹಣಕಾಸಿನ ಅನುಬಂಧಗಳನ್ನು ಮಾರ್ಚ್ 31, 2021 ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷ ಮತ್ತು ಅದರ ನಿರ್ದೇಶಕರ ಮಂಡಳಿ ಮತ್ತು ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ವರದಿಗಳು.
2. ಕಂಪನಿ ಕಾಯ್ದೆ, 2013 ರ ಸೆಕ್ಷನ್ 152 (6)ರ ಪುನರಾವರ್ತನೆಯ ಪ್ರಕಾರ ನಿವೃತ್ತಿ ಹೊಂದಿದ ಮತ್ತು ಅರ್ಹರಾಗಿರುವ ಶ್ರೀ ಅಭಿಜಿತ್ ಗಣೇಶ್ ಶಾಮನೂರು (DIN: 03451918) ಅವರ ಸ್ಥಾನದಲ್ಲಿ ನಿರ್ದೇಶಕರನ್ನು ನೇಮಿಸುವುದು, ಮರು ನೇಮಕಾತಿಗೆ ಅರ್ಹತೆಯನ್ನು ಹೊಂದಿರುತ್ತಾರೆ.
3. ಕಂಪನಿಯ ಶಾಸನಬದ್ಧ ಲೆಕ್ಕ ಪರಿಶೋಧಕರನ್ನು ನೇಮಿಸಲು :
"ಸೆಕ್ಷನ್ 139, 142 ಮತ್ತು ಕಂಪನಿಗಳ ಕಾಯ್ದೆ, 2013 ರ ಅನ್ವಯವಾಗುವ ಮತ್ತು ಇನ್ನಾವುದೇ ಅನ್ವಯಿಸುವ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಮತ್ತು ಕಂಪನಿಗಳು (ಲೆಕ್ಕಪರಿಶೋಧಕ ಮತ್ತು ಲೆಕ್ಕಪರಿಶೋಧಕರು) ನಿಯಮಗಳು, 2014 ರೊಂದಿಗೆ ಓದಿ, ಇದರಲ್ಲಿ ಯಾವುದೇ ಶಾಸನಬದ್ಧ ಕಾಯಿದೆ ಅಥವಾ ಮಾರ್ಪಾಡು ಸೇರಿದಂತೆ, ಮೆ. ಡಿ ಜಿ ಎಂ ಎಸ್ & ಕೋ., ಚಾರ್ಟೆಡ್ ಅಕೌಂಟೆಂಟ್ಸ್ (ಸಂಸ್ಥೆಯ ನೋಂದಣಿ ಸಂಖ್ಯೆ 0112187W) ಇವರನ್ನು ನೇಮಕ ಮಾಡಿದ್ದು, ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯು ಲೆಕ್ಕಪರಿಶೋಧಕರೊಂದಿಗೆ ಸಮಾಲೋಚಿಸಿ ಅವರ ಸಂಭಾವನೆಯ ಜೊತೆಗೆ ಅನ್ವಯವಾಗುವ ಸೇವಾ ತೆರಿಗೆ ಮತ್ತು ಲೆಕ್ಕಪರಿಶೋಧನೆಯ ಉದ್ದೇಶಕ್ಕಾಗಿ ಆಗುವ ಇತರೆ ವೆಚ್ಚಗಳನ್ನು ಭರಿಸಲು ಅನುಮೋದಿಸಿರುತ್ತದೆ. "ಕಂಪನಿಯ ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯು ಅಗತ್ಯವಿರುವ ಎಲ್ಲ ಕ್ರಮಗಳನ್ನು ತೆಗೆದುಕೊಳ್ಳಲು ಮತ್ತು ಈ ಪರವಾಗಿ ಅಗತ್ಯವೆಂದು ಭಾವಿಸಬಹುದಾದ ಅಂತಹ ಎಲ್ಲಾ ಕಾರ್ಯಗಳು, ವಿಷಯಗಳು ಮತ್ತು ಕೆಲಸಗಳನ್ನು ಮಾಡಲು ಕಂಪನಿಯ ಪರವಾಗಿ ಮತ್ತು ಅದರ ಪರವಾಗಿ ಅಧಿಕಾರ ಹೊಂದಿದೆ".

ವಿಶೇಷ ವ್ಯಾಪಾರ :

4. ವೆಚ್ಚ ಲೆಕ್ಕ ಪರಿಶೋಧಕರ ನೇಮಕ
ಪರಿಗಣಿಸಲು ಮತ್ತು ಆಲೋಚನೆಗೆ ಸೂಕ್ತವಾಗಿದ್ದರೆ, ಸಾಮಾನ್ಯ ನಿರ್ಣಯವಾಗಿ ಮಾರ್ಪಾಡು ಅಥವಾ ಮಾರ್ಪಾಡುವಿಲ್ಲದೆ ಅನುಮೋದಿಸುವುದು: 'ಕಂಪನಿಗಳ ಕಾಯ್ದೆ, 2013 ರ ಸೆಕ್ಷನ್ 148 ರ ಉಪವಿಭಾಗ (3) ರ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಮತ್ತು ಕಂಪನಿಗಳ (ಲೆಕ್ಕಪರಿಶೋಧಕ ಮತ್ತು ಲೆಕ್ಕ ಪರಿಶೋಧಕರು) ನಿಯಮಗಳು, 2014 ರ ನಿಯಮ 14 ರೊಂದಿಗೆ ಓದಿ, ಶ್ರೀ ಎಂ.ಆರ್. ಕೃಷ್ಣಮೂರ್ತಿ ಅವರಿಗೆ ಪಾವತಿಸಬೇಕಾದ ಸಂಭಾವನೆ, ಕಾಸ್ಪ್ ಅಕೌಂಟೆಂಟ್ಸ್, (ರಿ.ನಂ. ಎಫ್‌ಸಿಎಂಎ 7658 ಹೊಂದಿರುವ) ಇವರನ್ನು ಕಂಪನಿಯ ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯು ಕಾಸ್ಪ್ ಆಡಿಟರ್ ಆಗಿ ನೇಮಕ ಮಾಡಿದ್ದು, ಕಂಪನಿಯು 2020-21 ರ ಹಣಕಾಸು ವರ್ಷದಲ್ಲಿ ನಿರ್ವಹಿಸಿದ ವೆಚ್ಚ ದಾಖಲೆಗಳ ಲೆಕ್ಕಪರಿಶೋಧನೆಯನ್ನು ರೂ. 50,000/- (ರೂಪಾಯಿ ಐವತ್ತು ಸಾವಿರ ಮಾತ್ರ) ಜೊತೆಗೆ ಜಿಎಸ್ಟಿ ಅನ್ವಯವಾಗುವಂತೆ ಮತ್ತು ಪಾಕೆಟ್ ಖರ್ಚನ್ನು ಮರುಪಾವತಿ ಮಾಡಲಾಗುವುದು ಎಂದು ಅನುಮೋದಿಸಲಾಗಿದೆ.
5. ಕಂಪನಿಗಳ ಕಾಯ್ದೆ, 2013 ಮತ್ತು ಕಂಪನಿಗಳು (ವ್ಯವಸ್ಥಾಪಕ ಸಿಬ್ಬಂದಿಗಳ ನೇಮಕಾತಿ ಮತ್ತು ಸಂಭಾವನೆ) ನಿಯಮಗಳು, 2014 (ಯಾವುದೇ ಶಾಸನಬದ್ಧ ಸೇರಿದಂತೆ), ವೇಳಾಪಟ್ಟಿ ಮತ್ತು ಇತರ ಅನ್ವಯವಾಗುವ ನಿಬಂಧನೆಗಳೊಂದಿಗೆ ಓದಿದ ಸೆಕ್ಷನ್ 196, 197, 203 ರ ನಿಬಂಧನೆಗಳಿಗೆ ಅನುಗುಣವಾಗಿ ಪರಿಹರಿಸಲಾಗಿದೆ. ಮಾರ್ಪಾಡುಗಳು, ತಿದ್ದುಪಡಿಗಳು ಅಥವಾ ಪುನಃ ಜಾರಿಗೊಳಿಸುವ ಸಮಯಕ್ಕೆ (ಇನ್ನು ಮುಂದೆ ಇದನ್ನು "ಆಕ್ಟ್" ಎಂದು ಕರೆಯಲಾಗುತ್ತದೆ), ಹೇಳಿದ ಕಾಯಿದೆಯ ವೇಳಾಪಟ್ಟಿಯೊಂದಿಗೆ ಓದಿ. ಶ್ರೀ ಅಭಿಜಿತ್ ಜಿ.ಎಸ್. (ಡಿಐಎನ್: 03451918) ಅವರನ್ನು ಕಂಪನಿಯ ಕಾರ್ಯನಿರ್ವಾಹಕ ನಿರ್ದೇಶಕರಾಗಿ ಸಂಭಾವನೆ, ನಿಯಮಗಳು ಮತ್ತು ಷರತ್ತುಗಳ ಮೇಲೆ ಮರು ನೇಮಕ ಮಾಡಲು ಅನುಮತಿ ನೀಡಲಾಗಿದೆ.

ಸ್ಥಳ : ದಾವಣಗೆರೆ
ದಿನಾಂಕ : 30-08-2021

ನೋಂದಾಯಿತ ಕಛೇರಿ :
ನಂ. 73/1, ಪಿ.ಬಿ. ನಂ. 312
ಶಾಮನೂರು ರಸ್ತೆ, ದಾವಣಗೆರೆ-577 004.

ಆಡಳಿತ ಮಂಡಳಿ ಅಪ್ಪಣೆ ಮೇರೆಗೆ
ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ
ಎಸ್.ಎಸ್. ಗಣೇಶ್
ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು
DIN : 00451383



Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act proxy for any other person or member.
2. Special business is proposed to be transacted at the Annual General Meeting and thus the Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, is provided thereto.
3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send at the Registered Office of the Company, a duly certified copy of the Board Resolution, authorizing their representative to attend and vote on their behalf at this General Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 23th September, 2021 to Wednesday, 29th September, 2021 (both days inclusive) for the purpose of the AGM.
5. Members / Proxies should fill-in the attendance slip for attending the Meeting and bring their attendance slip along with their copy of the Annual Report to the Meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
7. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
8. The members are requested to intimate changes, if any, in their registered address to the Registrar & Share Transfer Agents for shares held in physical form & to their respective Depository participants for shares held in electronic form.
9. All documents referred to in the accompanying Notice are opened for inspection at the Registered Office of the Company on all working days, except Sunday between 2 P.M. to 4 P.M. upto the date of the Annual General Meeting.
 1. Members are requested :
 - i) To quote their folio Nos. in all correspondence.
 - ii) To note that no gifts will be distributed at the meeting.
 - iii) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 2. Members holding shares in physical form, are requested to intimate their change in Bank Mandate/ National Electronic Clearing Service (NECS) details (form can be downloaded from our website of the Company i.e. www.davangeresugar.com, and /or, update their PAN and Bank Account details through a request letter along with self attested copy of PAN, original cancelled cheque with preprinted name of the Shareholder (old and new both bank details) and bank attested copy of passbook/ statement showing name of the account holder to M/s. Integrated Registry Management Services Pvt. Ltd, Share Transfer Agent at their address at Ramana Residency, Sampige Road, Malleswaram, Bengaluru. Beneficial owners holding shares in electronic form are requested to intimate their change in Bank Mandate/ NECS details, if any, to their respective Depository Participants (DPs) in order to get the same registered.



3. Members, who are holding shares in physical/electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by sending scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report 2020-21 along with AGM Notice by email to or Members holding shares in demat form can update their email address with their.
4. In terms of Section 72 of the Companies Act, 2013, a Member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH – 13 to the Company/RTA in case shares are held in Physical form, and to their respective depository participant, if held in electronic form.
5. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the e-voting facility to the members to exercise their right to vote by electronic means. The Company has fixed September 22, 2021 as a cut – off date to record the entitlement of the shareholders to cast their vote electronically at the 50th Annual General Meeting (AGM) by electronic means under the Companies Act, 2013 and rules made thereunder. Consequently, the same cut-off date, i.e., September 22, 2021 would record entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 50th AGM on 29th September, 2021.

The e-voting period will commence at 09.00 A.M. on September 26, 2021 and will end at 05.00 P.M. on September 28, 2021. The Company has appointed M/s. Amit R. Dadheech & Associates, Company Secretary in Practice to act as Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given as Annexure to the Notice.

The Company has engaged the services of M/s. Integrated Registry Management Services Pvt. Ltd and NSDL as the Authorized Agencies to provide e-voting facilities.

6. VOTING THROUGH ELECTRONIC MEANS

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Wednesday, September 22, 2020.



1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.davangeresugar.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsd.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

The remote e-voting period begins on September 26 2021 at 9:00 A.M. and ends on September, 28, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The



Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 22 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 22 2021.

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

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

Step 1: Access to NSDL e-Voting system

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

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

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |



| | |
|--|---|
| <p>Individual Shareholders holding securities in demat mode with CDSL.</p> | <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participants.</p> | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration <p>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. NSDL where the e-Voting is in progress.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

| Login type | Helpdesk details |
|--|---|
| 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 022-23058542-43 |

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

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

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



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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below :

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

- Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
- Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nSDL.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.



7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to amitrdadheech@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

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

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access**



to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at accounts@davangeresugars.com. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 3, 4 & 5 of the accompanying Notice dated September 29, 2021.

Item No. 3 : Appointment of Statutory Auditors

Board of Directors has recommended the appointment of M/s. D G M S & Co, Chartered Accountant, (Firm Registration No. 0112187W.), as Statutory Auditors of the Company for a period of five years, commencing from the conclusion of 50th AGM till the conclusion of the 55th AGM, subject to approval of Shareholders.

M/s. D G M S & Co, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under :

- A. Proposed fees payable to the statutory auditor(s): 2,50,000 plus applicable taxes and reimbursement of travelling and other out-of-pocket expenses actually incurred by them in connection with the audit of accounts of the Company.
- B. Terms of appointment: Appointment as Statutory Auditors of the Company from conclusion of 50th AGM up to conclusion of 55th AGM to carry out Audit of the Financial Statements and Annual Financial Results of the Company and Limited Review of the Unaudited Quarterly Financial Results of the Company. All other terms of appointment shall be as per Letter of Engagement.
- C. In case of a new auditor, any material change in the fees payable to such auditor from that paid to the outgoing auditor along with the rationale for such change: Nil
- D. Basis of recommendation for appointment: The Board of Directors and Audit Committee have considered various evaluation criteria with respect to skillset, governance & competitiveness and recommend their appointment to the Shareholders of the Company.



E. Credentials of the Statutory Auditors proposed to be appointed: M/s. D G M S & Co was established on May 16th, 1991. The firm is registered with The Institute of Chartered Accountants of India and the firm provides professional services like auditing, taxation, and management consultancy services to clients in India the firm has 5 Partners and having offices in Mumbai, Jamanagar and Ahmedabad.

M/s. D G M S & Co, Chartered Accountants have subjected themselves to peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board of ICAI'. The Company has received their eligibility and willingness for their proposed appointment for the period from conclusion of the 50th Annual General Meeting upto the conclusion of 55th Annual General Meeting of the Company.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the notice. The Board recommends the resolution set forth in item No. 3 of the notice for approval of the members.

Item 4 : Appointment of Cost Auditor

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Mr. M. R. Krishna Murthy, Cost Accountant, (having Reg No. FCMA7658), as the cost auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2020-21, at a fee of Rs.50,000/- (Rupees Fifty Thousand) plus GST as applicable and reimbursement of out of pocket expenses as remuneration for cost audit services for the FY 2020-21.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 2020-21. The Board recommends the Ordinary Resolution for approval by the shareholders.

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

Item No. 5

The Board of Directors of the Company has, at its meeting held on March 15, 2021, based on the recommendation of the Nomination & Remuneration Committee, approved modification in the remuneration payable to Mr. Abhijith Ganesh Shamanur (DIN: 03451918) with effect from April 1, 2021 subject to the approval of shareholders. Further, pursuant to provision of section 197 and Secretarial Standards – 2 the details of revised remuneration to the Director is provided hereunder:

Basic Salary Rs. 36,00,000 /- per annum effective April 1, 2021.

The Directors recommend the adoption of the Special Resolution in Item No. 5 of the Notice.

No Director, except Sri S.S. Ganesh Key Managerial Personnel and their relatives are in any way concerned or interested in the Resolution at Item No. 5 of the Notice except Mr. Abhijith Ganesh Shamanur (DIN: 03451918). Documents relevant to the revision in remuneration to the Director are available for inspection at the Registered Office of the Company during business hours on any working day of the Company without payment of fee.



ನಿರ್ದೇಶಕರ ವರದಿ

ಸನ್ಮಾನ್ಯ ಸದಸ್ಯರೇ,

ನಿಮಗೆಲ್ಲಾ ತಿಳಿದಿರುವಂತೆ ನಿಮ್ಮ ಸಂಸ್ಥೆಯು ತನ್ನ ಪ್ರಾರಂಭದಿಂದ ಇದುವರೆಗೂ ತನ್ನ ಯಶಸ್ವಿ ಕಾರ್ಯನಿರ್ವಹಣೆಯ ಐವತ್ತು ವರ್ಷಗಳನ್ನು ಪೂರೈಸಿದೆ. ನಿಮ್ಮ ಕಂಪನಿಯ ನಿರ್ದೇಶಕರಿಗೆ, ಈ 50ನೇ ವಾರ್ಷಿಕ ವರದಿಯನ್ನು ಮತ್ತು 31ನೇ ಮಾರ್ಚ್ 2021 ಕೊನೆಗೊಂಡ ವರ್ಷದ ಪರಿಶೋಧಿಸಿದ ಲೆಕ್ಕಪತ್ರಗಳನ್ನು ತಮ್ಮ ಮುಂದೆ ಮಂಡಿಸಲು ಅತೀವ ಸಂತೋಷವೆನಿಸಿದೆ.

ನಿಮ್ಮ ಕಂಪನಿಯ ನಿರ್ದೇಶಕರಾಗಿ ನಾವು ನಿಮ್ಮ ಕಂಪನಿಯ 2020-21ನೇ ವರ್ಷಾವಧಿಯ ಕಾರ್ಯಾಚರಣೆಯ, ಕೆಲಸಕಾರ್ಯಗಳ ನಿರ್ವಹಣೆಯಲ್ಲಿನ ಏಳುಬೀಳುಗಳನ್ನು ಅತ್ಯಂತ ಆಸಕ್ತಿಯಿಂದ ನಿಮ್ಮೊಂದಿಗೆ ಹಂಚಿಕೊಳ್ಳಲಿಚ್ಛಿಸುತ್ತೇವೆ. ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರ ಕಲಂ 134 ರಡಿ ಅವಶ್ಯಕವಾದ ಮಹತ್ವದ ಮಾಹಿತಿಯನ್ನು ತಮ್ಮ ಮುಂದಿಡುತ್ತಿದ್ದೇವೆ.

1. ಕಂಪನಿಯ ವಸ್ತು ಸ್ಥಿತಿ :

ಎ] ಆರ್ಥಿಕ ಫಲಿತಾಂಶಗಳು

ದಿನಾಂಕ 31.03.2021ಕ್ಕೆ ಆರ್ಥಿಕ ಫಲಿತಾಂಶಗಳನ್ನು ಈ ಕೆಳಗಿನಂತೆ ನೀಡಲಾಗಿದೆ :

| ಕ್ರ. ಸಂ. | ವಿವರಗಳು | 31-03-2021ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷಕ್ಕೆ | 31-03-2020ಕ್ಕೆ ಕೊನೆಗೊಂಡ ವರ್ಷಕ್ಕೆ |
|----------|--|----------------------------------|----------------------------------|
| 1 | ಆದಾಯ ಒಟ್ಟು ವಹಿವಾಟುಗಳಿಂದ | 14452.78 | 20284.71 |
| 2 | ಇತರೆ ಆದಾಯ | 328.39 | 21.51 |
| 3 | ಒಟ್ಟು | 14781.17 | 20306.22 |
| 4 | ಬಳಕೆ ಮಾಡಿದ ಸರಕು ಸಾಮಗ್ರಿಗಳ ವೆಚ್ಚ | 9236.88 | 9504.31 |
| 5 | ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯಕ್ಕೆ ಇರುವ ಸಿದ್ಧ ಮತ್ತು ಕಚ್ಚಾ ದಾಸ್ತಾನುಗಳ ಬದಲಾವಣೆ ಮೊತ್ತ | 760.58 | 775.79 |
| 6 | ಕಾರ್ಯನಿರ್ವಹಣೆಯ ವೆಚ್ಚ | 652.22 | 5330.06 |
| 7 | ಇತರೆ ವೆಚ್ಚಗಳು | 1270.50 | 1360.94 |
| 8 | ಸವಕಳಿ ಕಳೆಯುವ ಮುಂಚಿನ ಲಾಭ | 1209.30 | 3335.12 |
| 9 | ಹಣಕಾಸು ವೆಚ್ಚ | 1651.66 | 2174.32 |
| 10 | ಸವಕಳಿ | 887.60 | 899.47 |
| 11 | ಪ್ರತಿಷೇದ ಮತ್ತು ವಿಶೇಷ ಬಾಬುಗಳ ಮೊದಲಿನ ಲಾಭ | 321.69 | 261.32 |
| 12 | ಪ್ರತಿಷೇದ ಮತ್ತು ವಿಶೇಷ ಬಾಬುಗಳ ಮೇಲಿನ ವೆಚ್ಚ | - | - |
| 13 | ತೆರಿಗೆ ಮುಂಚಿನ ಲಾಭ | 321.69 | 261.32 |
| 14 | ವರಮಾನ ತೆರಿಗೆ | 58.80 | 43.56 |
| 15 | ಮುಂದೂಡಿದ ತೆರಿಗೆ | 12.96 | 10.83 |
| 16 | ನಿವ್ವಳ ಲಾಭ | 249.92 | 206.93 |

(ಬಿ) ಕಬ್ಬು ಅರೆಯುವಿಕೆ ಕಾರ್ಯ ಮತ್ತು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ :

2020-21ನೇ ವರ್ಷದ ಕಬ್ಬು ಅರೆಯುವಿಕೆಯ ದಿನಾಂಕ 08-10-2020 ರಂದು ಪ್ರಾರಂಭಗೊಂಡು 10-02-2021ರಲ್ಲಿ ಅಂತ್ಯಗೊಂಡಿತು. ಹಣಕಾಸಿನ ವರ್ಷ 2020-21 ರಲ್ಲಿ ನಿಮ್ಮ ಕಂಪನಿಯು 3,31,713 ಮೆಟ್ರಿಕ್ ಟನ್ ಕಬ್ಬು ಅರೆದಿರುತ್ತದೆ.



| ವರ್ಷ | ಕಬ್ಬು ಅರೆದಿರುವುದು ಮೆ.ಟನ್ | ಸಕ್ಕರೆ ಉತ್ಪಾದನೆ [ಕ್ಟಿಂ] | ಇಳುವರಿ |
|---------|--------------------------|-------------------------|--------|
| 2020-21 | 3,31,712 | 3,11,462 | 9.48% |
| 2019-20 | 3,26,210 | 2,93,660 | 9.00% |
| 2018-19 | 4,36,176 | 4,11,450 | 9.45% |
| 2017-18 | 1,41,225 | 1,21,500 | 8.50% |

ಕಂಪನಿಯು 2021-22ನೇ ಸಾಲಿನಲ್ಲಿ 5,35,000 ಮೆ.ಟನ್ ಕಬ್ಬನ್ನು ಅರೆಯುವ ನಿರೀಕ್ಷೆ ಇದೆ.

[ಸಿ] ಕಬ್ಬು ಬೆಳೆಪ್ರದೇಶದ ವಿಸ್ತೀರ್ಣ :

ನಿಮ್ಮ ಕಂಪನಿಯ ಕ್ರಿಯಾಶೀಲ ಆಡಳಿತದಲ್ಲಿ ಹೆಚ್ಚು ಹೆಚ್ಚು ಭೂಮಿಯನ್ನು ಕಬ್ಬಿನ ಬೆಳೆಯಡಿಯಲ್ಲಿ ತರುವ ನಿರಂತರ ಪ್ರಯತ್ನದಲ್ಲಿದೆ. ಕಳೆದ ನಾಲ್ಕು ವರ್ಷಗಳಲ್ಲಿ ಕಬ್ಬು ನಾಟಿ ಮಾಡಿದ ನಿಖರ ವಿಸ್ತೀರ್ಣ ಹಾಗೂ ಮುಂದಿನ ವರ್ಷದ ಅಂದಾಜು ನಾಟಿ ವಿವರ ಕೆಳಗಿನಂತಿದೆ.

| ವರ್ಷ | ಕಬ್ಬಿನ ಬೆಳೆಯ ವಿಸ್ತೀರ್ಣ [ಎಕರೆಗಳಲ್ಲಿ] |
|------------------------|-------------------------------------|
| 2016-17 | 6,456 |
| 2017-18 | 5,282 |
| 2018-19 | 12,796 |
| 2019-20 | 8,489 |
| 2020-21 | 8,580 |
| 2021-22 [ಮುಂಬರುವ ವರ್ಷ] | 10,120 |

[ಡಿ] ಸಕ್ಕರೆ ರಫ್ತು : ಹಣಕಾಸು ವರ್ಷ 2020-21 ರಲ್ಲಿ ಕಂಪನಿಯು ಸಕ್ಕರೆಯನ್ನು ಮತ್ತು ಕಾಕಂಬಿ ರಫ್ತು ಈ ಕೆಳಗಿನಂತಿರುತ್ತದೆ.

| ಕ್ರ.ಸಂ. | ಉತ್ಪನ್ನ | ಮೊಬಲಗು ರೂ. | ಪ್ರಮಾಣ |
|---------|---------|-----------------|-------------------|
| 1 | ಸಕ್ಕರೆ | 21,72,41,860.00 | 2778.74 ಕ್ವಿಂಟಾಲ್ |
| 2 | ಕಾಕಂಬಿ | 9,36,31,479.00 | 7443.33 ಮೆ.ಟನ್ |

[ಇ] ವಿದ್ಯುತ್ ಉತ್ಪಾದನೆ [CO-GEN] ಮತ್ತು ವಿದ್ಯುಚ್ಛಕ್ತಿ ನಿಯೋಗತ :

ಕಂಪನಿಯು 24 ಮೆ.ವ್ಯಾ. ಸಾಮರ್ಥ್ಯದ ಉತ್ಪಾದನಾ ಘಟಕ ಹೊಂದಿರುತ್ತದೆ. ಪ್ರಸಕ್ತ ವರ್ಷ 2020-21ನೇ ಅವಧಿಯಲ್ಲಿ 44500800 ಯುನಿಟ್ ವಿದ್ಯುತ್ ಉತ್ಪಾದಿಸಿ 30833000 ಯುನಿಟ್‌ಗಳನ್ನು ESCOMS/IEX ಗಳಿಗೆ ರಫ್ತು ಮಾಡಿರುತ್ತದೆ. 2019-20ರಲ್ಲಿ 29619600 ಯುನಿಟ್‌ಗಳನ್ನು ರಫ್ತು ಮಾಡಿರುತ್ತದೆ. ಕಂಪನಿಯು ಕೆ.ಪಿ.ಟಿ.ಸಿ.ಎಲ್‌ನಿಂದ 921600 ಯುನಿಟ್ ವಿದ್ಯುತ್‌ನ್ನು ಆಮದು ಮಾಡಿಕೊಂಡಿದೆ. ಕಳೆದ ವರ್ಷ 2019-20ನೇ ಇಸವಿಯಲ್ಲಿ 904800 ಯುನಿಟ್ ಆಮದು ಮಾಡಿಕೊಂಡಿರುತ್ತದೆ. ಕೋಜನ್ ಘಟಕವು 2020-21ನೇ ಸಾಲಿನಲ್ಲಿ 126 ದಿನಗಳ ಕಾಲ ಕಾರ್ಯನಿರ್ವಹಿಸಿದ್ದು ಮತ್ತು ಕಳೆದ ವರ್ಷ 2019-20ನೇ ಸಾಲಿನಲ್ಲಿ 120 ದಿನಗಳು ಕಾರ್ಯನಿರ್ವಹಿಸಿರುತ್ತದೆ.

2 ಸಕ್ಕರೆ ಕಾರ್ಖಾನೆಯ ಅವಲೋಕನ :

1. ಕೋವಿಡ್-19 ಪ್ರಭಾವ

ಜಾಗತಿಕವಾಗಿ ಮತ್ತು ದೇಶದಾದ್ಯಂತ COVID-19 ಸಾಂಕ್ರಾಮಿಕ ರೋಗವು ತೀವ್ರವಾದ ತೊಂದರೆಯನ್ನು ಉಂಟುಮಾಡಿದ್ದು ಭಾರತದಾದ್ಯಂತ ಆರ್ಥಿಕ ಚಟುವಟಿಕೆಗಳು ಮಂದಗತಿಯಲ್ಲಿ ಸಾಗಿವೆ. ಕರ್ನಾಟಕ ಸರ್ಕಾರ ಆದೇಶಿಸಿದ ರಾಜ್ಯವ್ಯಾಪಿ ಲಾಕ್‌ಡೌನ್‌ನನ್ನು 24 ಏಪ್ರಿಲ್ 2020 ಕ್ಕೆ ಘೋಷಿಸಲಾಗಿತ್ತು. ಈ ಹೊತ್ತಿಗೆ ಕಬ್ಬು ಅರೆಯುವ ಕಾರ್ಯ ಪೂರ್ಣಗೊಂಡಿದ್ದು, ಆದ್ದರಿಂದ ಕೋವಿಡ್-19 ಎರಡನೇ ಅಲೆ ಸಾಂಕ್ರಾಮಿಕ ರೋಗದ ಪ್ರಭಾವ ಕಬ್ಬು ಅರೆಯುವ ಕಾರ್ಯಕ್ಕೆ ಯಾವುದೇ ದೊಡ್ಡ ಪರಿಣಾಮ ಬೀರಲಿಲ್ಲ.



2. ಸರ್ಕಾರದ ಕ್ರಮಗಳು ಮತ್ತು ವಲಯದ ದೃಷ್ಟಿಕೋನ :

ಭಾರತ ಸರ್ಕಾರವು ಎಥನಾಲ್ ಮಿಶ್ರಣ ಮಾಡುವ ಮಹತ್ವಾಕಾಂಕ್ಷಿಯ ಯೋಜನೆಯನ್ನು ನಿಗದಿಗೊಳಿಸಿದ್ದು ಮತ್ತು ಎಥನಾಲ್ ಖರೀದಿಗೆ ಸುಮಾರು ರೂ. 300 ಕೋಟಿ ಲೀಟರ್ ಗುತ್ತಿಗೆಗೆ ಸಹಿ ಹಾಕಿದ್ದು, ಇದು ಎಲ್ಲಾ ತರಹದ ಫೀಡ್ ಸ್ಟಾಕ್‌ಗೆ ಅನ್ವಯಿಸುತ್ತದೆ.

ಸರ್ಕಾರದ ಅಕ್ರಮಣಕಾರಿ ಎಥನಾಲ್ ಮಿಶ್ರಣ ಕಾರ್ಯಕ್ರಮದ ಬೆಂಬಲದಿಂದಾಗಿ ಈ ವಲಯವು ಅವರ್ತಕದಿಂದ ರಚನಾತ್ಮಕ ಬೆಳವಣಿಗೆ ಕ್ಷೇತ್ರಕ್ಕೆ ತಿರುಗಿದೆ. ಈ ಪ್ರಸಕ್ತ ಸಾಲಿನಲ್ಲಿ ಎಥನಾಲ್ ತೈಲ ಮಾರುಕಟ್ಟೆ ಕಂಪನಿಗಳು ಸುಮಾರು 300 ಕೋಟಿ ಲೀಟರ್ ಎಥನಾಲ್ ಖರೀದಿಸಲಿದ್ದು ಹಿಂದಿನ ವರ್ಷಕ್ಕೆ ಹೋಲಿಸಿದರೆ ತೈಲ ಮಾರುಕಟ್ಟೆ ಕಂಪನಿಗಳು ಕೇವಲ 180 ಕೋಟಿ ಲೀಟರ್ ಎಥನಾಲ್ ಖರೀದಿಸಿದ್ದವು. ಈ ಖರೀದಿಯಿಂದಾಗಿ ತೈಲ ಮಿಶ್ರಣವು ಶೇ. 8% ಏರಿಕೆಯಾಗಿದೆ.

ಶೇ. 15% ತೈಲ ಮಿಶ್ರಣ ಮಾಡುವುದರಿಂದ ಸಕ್ಕರೆ ಕಂಪನಿಗಳಿಗೆ ಪ್ರತಿ ವರ್ಷ 6 ದಶಲಕ್ಷ ಟನ್ ಹೆಚ್ಚುವರಿಯಾಗಿರುವ ಸಕ್ಕರೆ ದಾಸ್ತಾನು ಎಥನಲ್ ಮಿಶ್ರಣಕ್ಕೆ ಉಪಯೋಗಿಸಿಕೊಳ್ಳಬಹುದಾಗಿದೆ. ಈ ಪ್ರಸಕ್ತ ಸಾಲಿನಿಂದ ಸಕ್ಕರೆ ಕಾರ್ಖಾನೆಗಳು ಹೆಚ್ಚುವರಿ ಡಿಸ್ಪಲರಿ ಸಾಮರ್ಥ್ಯ ಹೆಚ್ಚಿಸಿಕೊಳ್ಳುವುದರಿಂದ ಈ ಮುಂಬರುವ ದಿನಗಳಲ್ಲಿ ಎಥನಲ್ ಉತ್ಪನ್ನ, ಮಾರಾಟ ದ್ವಿಗುಣಗೊಳ್ಳಲಿದೆ. ಇದರಿಂದ ಸಕ್ಕರೆ ಕಾರ್ಖಾನೆಗಳಿಗೆ ಶೇ. 30-40% ನಿವ್ವಳ ಲಾಭ ಹೆಚ್ಚಾಗುವ ಸಾಧ್ಯತೆ ಇದೆ. ಇದಲ್ಲದೆ ಹೆಚ್ಚಾಗಿರುವ ಸಕ್ಕರೆ ದಾಸ್ತಾನು ಕೂಡ ಇಳಿಮುಖಗೊಳ್ಳಲಿದೆ.

3. ಪವರ್

ವಿದ್ಯುತ್ ಉತ್ಪಾದನೆ: 2019 ರ ಜೂನ್ 28 ರಂದು ಭಾರತ ಸರ್ಕಾರದ ವಿದ್ಯುತ್ ಸಚಿವಾಲಯವು ಪ್ರಾದೇಶಿಕ ಲೋಡ್ ಡೆಸ್ಟಾಬ್ ಕೇಂದ್ರಗಳು (ಆರ್‌ಎಲ್‌ಡಿ) ಮತ್ತು ರಾಜ್ಯ ಲೋಡ್ ಡೆಸ್ಟಾಬ್ ಕೇಂದ್ರಗಳಿಗೆ (ಎಸ್‌ಎಲ್‌ಡಿ) ನಿರ್ದೇಶನ ನೀಡಿ ವಿದ್ಯುತ್ ಉತ್ಪಾದಿಸುವ ಕಂಪನಿಗಳ ಪರವಾಗಿ ಲೆಟರ್ ಆಫ್ ಕ್ರೆಡಿಟ್ (ಎಲ್‌ಸಿ) ತೆರೆಯುವಂತೆ ಆದೇಶ ಹೊರಡಿಸಿದೆ. ವಿದ್ಯುತ್ ಸರಬರಾಜಿನ ಒಪ್ಪಿದ ಪ್ರಮಾಣ. 45 ಅಥವಾ 60 ದಿನಗಳ ಒಪ್ಪಿಗೆಯ ಕ್ರೆಡಿಟ್ ಅವಧಿಯ ನಂತರ ಉತ್ಪಾದಿಸುವ ಕಂಪನಿಯು ಎಲ್ಲಿಗೆ ಎನ್ಯಾಶ್ಮೆಂಟ್ ಮಾಡಲು ಆದೇಶವು ಒದಗಿಸುತ್ತದೆ. 01.08.2019 ರಿಂದ ಜಾರಿಗೆ ಬಂದಿರುವ ಸಾಲಗಾರರ ಸಮಯೋಚಿತ ಸಂಗ್ರಹಣೆಗೆ ಅನುಕೂಲವಾಗುವಂತೆ ಇದು GOI ಯ ಸ್ವಾಗತಾರ್ಹ ಕ್ರಮವಾಗಿದೆ.

ಆಡಳಿತ ಮಂಡಳಿಯ ಅವಲೋಕನ ಪ್ರಸಕ್ತ ವರ್ಷ 2020-21

ಎ. ಎಥನಾಲ್

ಭಾರತ ಸರ್ಕಾರದಿಂದ ಎಥನಾಲ್ ಬ್ಲೆಂಡಿಂಗ್ ಪ್ರೋಗ್ರಾಂ ನೀತಿ : ಆರಂಭದಲ್ಲಿ ಭಾರತ ಸರ್ಕಾರದ ಕಾರ್ಯಕ್ರಮದ ಅಡಿಯಲ್ಲಿ 2022ರ ವೇಳೆಗೆ ಪೆಟ್ರೋಲ್‌ನೊಂದಿಗೆ ಶೇ. 10ರಷ್ಟು ಜೈವಿಕ ಇಂಧನವನ್ನು ಮಿಶ್ರಣ ಮಾಡುವ ಗುರಿನ್ನಿರಿಸಿಕೊಂಡಿದೆ ಮತ್ತು 2030 ವೇಳೆಗೆ ಶೇ.20ರಷ್ಟು ಜೈವಿಕ ಇಂಧನದ ಮಿಶ್ರಣವನ್ನು ಹೆಚ್ಚಿಸುವ ಗುರಿಯನ್ನು ಹೊಂದಿದೆ.

ನಮ್ಮ ಕಂಪನಿಯು ರುಡ್‌ಎಲ್‌ಡಿ ತಂತ್ರಜ್ಞಾನವುಳ್ಳ 65 ಕೆಎಲ್‌ಪಿಡಿ ಎಥನಾಲ್ ಸ್ಥಾವರವನ್ನು ಸ್ಥಾಪಿಸಲು ಕ್ರಮ ಕೈಗೊಂಡಿದೆ. ಈ ಯೋಜನೆಯ ವೆಚ್ಚ ಸುಮಾರು ರೂ. 99.00 ಕೋಟಿ ಹೊಂದಿದ್ದು, ಈ ಯೋಜನೆಗೆ ಬೇಕಾದ ವೆಚ್ಚವನ್ನು ಭರಿಸಲು ರೂ. 65.00 ಕೋಟಿ ಸಾಲವನ್ನು ತೆಗೆದುಕೊಳ್ಳಲು ನಿರ್ಧರಿಸಿದೆ. ಈ ಪ್ರಕಾರ ನಮ್ಮ ಕಂಪನಿಯು ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ, ಕೆನರಾ ಬ್ಯಾಂಕ್, ಇಂಡಿಯನ್ ಬ್ಯಾಂಕ್ ಮತ್ತು ದಾವಣಗೆರೆ ಡಿಸ್ಟ್ರಿಕ್ಟ್ ಸೆಂಟ್ರಲ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ., ಯಿಂದ ಸುಮಾರು ರೂ. 65 ಕೋಟಿಯ ಸಾಲ ಮಂಜೂರಾತಿಯನ್ನು ಹೊಂದಿದೆ. ಈ ಯೋಜನೆಯು ಜೂನ್ 2021 ಕ್ಕೆ ಆರಂಭಗೊಂಡಿದ್ದು, ಜನವರಿ 2022 ರವರೆಗೆ ಪೂರ್ಣಗೊಳಿಸಲು ನಿಮ್ಮ ಕಂಪನಿಯು ಆಡಳಿತ ಮಂಡಳಿಯು ನಿರೀಕ್ಷೆಯನ್ನು ಹೊಂದಿದೆ.

ಕಂಪನಿಯು ಹೆಚ್ಚುವರಿ ನ್ಯೂಟ್ರಲ್ ಆಲ್ಕೋಹಾಲ್ ಮತ್ತು ಸ್ಯಾನಿಟೈಜರ್ ಉತ್ಪಾದಿಸಲು ಯೋಚಿಸುತ್ತಿದೆ, W.H.O ಶಿಫಾರಸ್ಸಿನ ಪ್ರಕಾರ ಕೋವಿಡ್-19 ವೈರಸ್‌ನ ಸರಪಳಿಯನ್ನು ಮುರಿಯಲು ನಾವೆಲ್ಲರೂ ಅತ್ಯುನ್ನತ ಮಾನದಂಡ



ಅಭ್ಯಾಸಗಳಾದ ನೈರ್ಮಲ್ಯತೆಯನ್ನು ಪಾಲಿಸಬೇಕು. ಶೇ. 80 ಈಥೈಲ್ ಆಲ್ಕೋಹಾಲ್ ಸ್ಯಾನಿಟೈಜರ್‌ಗಳನ್ನು ಬಳಸುವುದರಿಂದ ಶೇ. 99.9ವರೆಗಿನ ರೋಗಾಣುಗಳನ್ನು ಹೋಗಲಾಡಿಸಬಹುದು.

ಬಿ. ಕಬ್ಬಿನ ತೋಟ

ನಮ್ಮ ಕಂಪನಿಯು ನಿರಂತರವಾಗಿ ಹೆಚ್ಚಿನ ಇಳುವರಿ ಬರುವ ಕಬ್ಬಿನ ತೋಟಗಾರಿಕೆಯನ್ನು ಹಲವಾರು ಯೋಜನೆಯಡಿಯಲ್ಲಿ ಪ್ರೋತ್ಸಾಹಿಸುತ್ತಿದೆ. 2018-19 ಮತ್ತು 2019-20ನೇ ಸಾಲಿನ ಯೋಜನೆಯಡಿಯಲ್ಲಿ ವಿಸಿಎಫ್ 0517 ಮಾದರಿಯ ಕಬ್ಬಿನೊಂದಿಗೆ ನಡೆಸಿದ ಪ್ರಾಯೋಗಿಕ ಯೋಜನೆ ಯಶಸ್ವಿ ಹೊಂದಿದೆ. ವಿಸಿಎಫ್ 0517 ತಳಿಯ ಕಬ್ಬು ಎಕರೆಗೆ ಶೇ. 90 ರಿಂದ 110 ಟನ್ ಇಳುವರಿ ಹೊಂದಿದ್ದು ಆದರೆ ಬೇರೆ ತಳಿಯ ಕಬ್ಬಿನ ಸರಾಸರಿ ಇಳುವರಿ 35 ರಿಂದ 50 ಮೆ.ಟ.ಗೆ ಹೊಂದಿರುತ್ತದೆ. ಇದರಿಂದ ಹೆಚ್ಚು ಹೆಚ್ಚು ರೈತರು ವಿಸಿಎಫ್ 0517 ತಳಿಯನ್ನು ಬೆಳೆಯಲು ಇಚ್ಛಿಸುತ್ತಾರೆ. ಈ ಕಾರಣದಿಂದಾಗಿ ನಮ್ಮ ಕಂಪನಿಯು ಹೊಸ ತಳಿಯಾದ ವಿಸಿಎಫ್ 0517 ಕಬ್ಬಿನ ತೋಟಗಾರಿಕೆಯನ್ನು ಸುಮಾರು 6,000 ಎಕರೆಗೆ ವಿಸ್ತರಿಸುವ ನೀರಿಕ್ಷೆಯನ್ನು ಹೊಂದಿದೆ.

ಸಿ. ಭೌತಿಕ ಬದಲಾವಣೆ ಮತ್ತು ಕಟ್ಟುಪಾಡುಗಳು :

ಕಂಪನಿಯ ಆರ್ಥಿಕ ಸ್ಥಿತಿಯ ಮೇಲೆ ಪ್ರಭಾವ ಬೀರುವಂತಹ ಯಾವ ಪ್ರಮುಖ ಬದಲಾವಣೆಗಳು ಮತ್ತು ಕಟ್ಟುಪಾಡುಗಳು ಕಂಪನಿ ಕಾಯ್ದೆ 2013 ರ ಕಲಂ 134(3)(ಎಲ್) ಅನ್ವಯ ಹಣಕಾಸು ವರ್ಷ ಕೊನೆಯಂದಿನಿಂದ ಈ ವರದಿಯ ದಿನದವರೆಗೂ ಆಗಿರುವುದಿಲ್ಲ.

ಡಿ. ವಿದ್ಯುಚ್ಛಕ್ತಿ [ಶಕ್ತಿ] ಉಳಿತಾಯ, ತಂತ್ರಜ್ಞಾನ ಅಳವಡಿಕೆ ಮತ್ತು ವಿದೇಶಿ ವಿನಿಮಯ :

(ಎ) ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉಳಿತಾಯ : ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉಳಿತಾಯವು ಆಡಳಿತ ಮಂಡಳಿಯ ನಿರಂತರ ಪ್ರಯತ್ನವಾಗಿದೆ. ತನ್ನ ಗೃಹ [ಅಂತರಿಕ] ಬಳಕೆಯಲ್ಲಿ ಮತ್ತು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಗರಿಷ್ಠ ಪ್ರಮಾಣದಲ್ಲಿ ವಿದ್ಯುತ್ ಬಳಕೆಯನ್ನು ಕಡಿಮೆ ಮಾಡುವ ಗುರಿಯನ್ನು ಆಡಳಿತ ಮಂಡಳಿಯು ಹೊಂದಿರುತ್ತದೆ. ಅದರಂತೆ ಆಡಳಿತ ಮಂಡಳಿಯು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯ ಪ್ರತಿ ಯೂನಿಟ್‌ಗೆ ಬಳಕೆಯಾಗುವ ವಿದ್ಯುತ್ ಪ್ರಮಾಣವನ್ನು ತಗ್ಗಿಸಲು ನಿರಂತರ ಪ್ರಯತ್ನ ಮಾಡುತ್ತಿದೆ. ಆಡಳಿತ ಮಂಡಳಿಯು ಇದರಲ್ಲಿ ಹೆಚ್ಚಿನ ಹೂಡಿಕೆಗೆ ಯೋಜಿಸಿರುವುದಿಲ್ಲ ಮತ್ತು ಗರಿಷ್ಠ ಪ್ರಮಾಣದಲ್ಲಿ ವಿದ್ಯುತ್ ಉತ್ಪಾದನೆಯ ಮತ್ತು ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯ ಕಾರ್ಯಕ್ಷಮತೆಯನ್ನು ಇನ್ನಷ್ಟು ಸುಧಾರಿಸಿ ವಿದ್ಯುತ್ ಉಳಿತಾಯ ಸಾಧಿಸಲು ಆಡಳಿತ ಮಂಡಳಿಯು ಪ್ರಯತ್ನ ಮಾಡುತ್ತಿದೆ. ಕಂಪನಿಗಳ (ನಿರ್ದೇಶಕರ ಮಂಡಳಿ ವರದಿಯಲ್ಲಿ ವಿವರಗಳ ಪ್ರಕಟಣೆ) ನಿಯಮ 1988ರ ನಿಯಮ 2ರಡಿ ಅವಶ್ಯವಿರುವಂತೆ ಮಾಹಿತಿಯನ್ನು ಈ ವರದಿ ಜೊತೆ ಲಗತ್ತಿಸಿರುವ "ಫಾರ್ಮ್-ಎ" ನಲ್ಲಿ ಕೊಡಲಾಗಿರುತ್ತದೆ.

(ಬಿ) ತಾಂತ್ರಿಕತೆ ಅಳವಡಿಕೆ : ಆಡಳಿತ ಮಂಡಳಿಯು ಹಂತಹಂತವಾಗಿ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ತೀರ ಇತ್ತೀಚಿನ ತಾಂತ್ರಿಕತೆಯನ್ನು ಅಳವಡಿಸಿಕೊಳ್ಳುತ್ತಿದೆ. ಪ್ರಸಕ್ತ ವರ್ಷ 2017-18 ರಲ್ಲಿ ಕಂಪನಿಯ ಆಡಳಿತ ಮಂಡಳಿಯು, ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಹೊಸ ಎಫ್.ಎಫ್.ಇ. ತಾಂತ್ರಿಕತೆಯನ್ನು ಅಳವಡಿಸಿದೆ. ಇದರಿಂದ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಮತ್ತು ಗುಣಮಟ್ಟ ಹೆಚ್ಚುತ್ತದೆ ಮತ್ತು ಈ ತಾಂತ್ರಿಕತೆಯನ್ನು ದೇಶದಲ್ಲಿ ಕೆಲವೇ ಕಾರ್ಖಾನೆಗಳು ಅಳವಡಿಸಿಕೊಂಡಿರುತ್ತವೆ ಮತ್ತು ನಮ್ಮ ಕಂಪನಿಯು ಇಂಥ ಕಂಪನಿಗಳ ಪೈಕಿ ಒಂದಾಗಿದೆ. ಈ ತಾಂತ್ರಿಕತೆಯಿಂದ ಸಕ್ಕರೆ ಉತ್ಪಾದನೆಯಲ್ಲಿ ಹಬೆಯ ಉಪಯೋಗವನ್ನು ನಿಯಂತ್ರಿಸುತ್ತದೆ. ಕಂಪನಿಗಳ [ನಿರ್ದೇಶಕರ ಮಂಡಳಿ ವರದಿಯಲ್ಲಿ ವಿವರಗಳ ಪ್ರಕಟಣೆ] ನಿಯಮ 1988 ರ ನಿಯಮ 2 ರ ಮೇರೆಗೆ ಅವಶ್ಯಕವಾಗಿರುವ ಮಾಹಿತಿಯನ್ನು ಈ ವರದಿಗೆ ಜೋಡಿಸಿರುವ "ಫಾರ್ಮ್-ಬಿ" ಯಲ್ಲಿ ಕೊಡಲಾಗಿರುತ್ತದೆ.

ಇ. ಕಂಪನಿ ವ್ಯವಹಾರದ ಯಥಾಸ್ಥಿತಿ : ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರ ಷರತ್ತುಗಳಿಗೊಳಪಟ್ಟಂತೆ ಆಡಳಿತ ಮಂಡಳಿಯ ಅಭಿಪ್ರಾಯದಲ್ಲಿ ಕಂಪನಿಯ ವ್ಯವಹಾರದ ಸ್ವರೂಪದಲ್ಲಿ ಕಂಪನಿಯ ವ್ಯವಹಾರಕ್ಕೆ ಧಕ್ಕೆಯಾಗುವಂತಹ ಯಾವ ಬದಲಾವಣೆಗಳೂ ಅಲ್ಲದೆ ಕಂಪನಿಯ ಕಾರ್ಯಚಟುವಟಿಕೆಯಲ್ಲಿ ಗಣನೆಗೆ ಬರುವಂತಹ ಯಾವ ಪ್ರಮುಖ ಬದಲಾವಣೆಗಳೂ ಇರುವುದಿಲ್ಲ.

ಎಫ್.ನೌಕರರ ಸಂಭಾವನೆ :

ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರ ಮೇರೆಗೆ ವಿಧಿಸಿರುವ ಮಿತಿಗಿಂತ ಹೆಚ್ಚಿನ ಸಂಭಾವನೆಯನ್ನು ಯಾವ ನೌಕರನಿಗೂ ಕೊಡಲಾಗಿರುವುದಿಲ್ಲ.



ಜಿ. ನಿರ್ದೇಶಕರ ಜವಾಬ್ದಾರಿ ಹೇಳಿಕೆ - ಕಂಪನಿಯ ಕಾಯ್ದೆ 2013 ರ ಕಲಂ 134(3) (c) ರ ಮೇರೆಗೆ :

- (i) ಈ ವಾರ್ಷಿಕ ಲೆಕ್ಕಪತ್ರಗಳ ತಯಾರಿಕೆಯಲ್ಲಿ ಅದಕ್ಕೆ ಅನ್ವಯವಾಗುವ ಲೆಕ್ಕಪತ್ರದ ಮಾನದಂಡವನ್ನು ಅನುಸರಿಸಲಾಗಿರುತ್ತದೆ.
- (ii) 31 ರ ಮಾರ್ಚ್ 2021ಕ್ಕೆ ಇರುವಂತೆ ಕಂಪನಿಯ ವಸ್ತುಸ್ಥಿತಿಗಳ ಬಗ್ಗೆ ಮತ್ತು ಪರಿಶೀಲನೆಗೆ ಒಳಪಟ್ಟಿರುವ ಈ ವರ್ಷದ ಕಂಪನಿಯ ನಷ್ಟಗಳ ಪರಿಗಣನೆಗಾಗಿ, ನಿರ್ದೇಶಕರು ಕೌಶಲ್ಯಯುತ ಲೆಕ್ಕಪತ್ರಗಳ ಮಟ್ಟವನ್ನು ಆರಿಸಿಕೊಂಡಿದ್ದು ಅವುಗಳನ್ನು ಸುಸಂಗತ ರೀತಿಯಲ್ಲಿ ಅನ್ವಯಿಸಿ ಅದರಂತೆ ಸಮಂಜಸ ಹಾಗೂ ಯುಕ್ತಾಯುಕ್ತ ಪರಿಚ್ಛಾನವುಳ್ಳ ರೀತಿಯಲ್ಲಿ ವಿವೇಚಿಸಿ ಮತ್ತು ಅಂದಾಜು ಮಾಡಿ ಆ ರೀತಿಯಲ್ಲಿ ಅಳವಡಿಸಿಕೊಂಡಿರುತ್ತದೆ.
- (iii) ಕಂಪನಿಗಳ ಕಾಯ್ದೆ 2013 ರಡಿ ಕೊಡಮಾಡಿರುವ ಅವಕಾಶಗಳನ್ವಯ ಕಂಪನಿಯ ಆಸ್ತಿ ರಕ್ಷಣೆಗಾಗಿ ಮತ್ತು ವಂಚನೆ ಅಕ್ರಮಗಳನ್ನು ತಪ್ಪಿಸಲು ಹಾಗೂ ಪತ್ತೆ ಮಾಡಲು ನಿರ್ದೇಶಕರು ಸರಿಯಾದ ಮತ್ತು ಸಾಕಷ್ಟು ಎಚ್ಚರಿಕೆಯಿಂದ ಕೂಡಿರುವಂತಹ ಯಥೋಚಿತ ಲೆಕ್ಕಪತ್ರ ದಾಖಲೆಗಳನ್ನು ಸಂರಕ್ಷಣೆ ಮಾಡಿರುತ್ತಾರೆ.
- (iv) ನಡೆಯುತ್ತಿರುವ ವ್ಯಾಪಾರಿ ಸಂಸ್ಥೆ (Going Concern) ತಳಹದಿಯ ಮೇಲೆ ನಿರ್ದೇಶಕರು 31 ಮಾರ್ಚ್ 2021 ಕ್ಕೆ ಕೊನೆಗೊಂಡ ಹಣಕಾಸು ವರ್ಷದ ಲೆಕ್ಕಪತ್ರಗಳನ್ನು ತಯಾರಿಸಿರುತ್ತಾರೆ.
- (v) ಕಂಪನಿಯ ಆಡಳಿತ ಮಂಡಳಿಯು ಎಲ್ಲಾ ರೀತಿಯ ಕಾಯ್ದೆ ಕಾನೂನುಗಳನ್ನು ಪರಿಪಾಲಿಸಲು ಸುವ್ಯವಸ್ಥಿತವಾದ ಕಾರ್ಯಪಾಲನೆ ವ್ಯವಸ್ಥೆಯನ್ನು ಅಳವಡಿಸಿದೆ.

ಹೆಚ್.ಹೊರಸೂಸುವಿಕೆ ನಿರ್ವಹಣಾ ಯಂತ್ರೋಪಕರಣ (EFFLUENT TREATMENT PLANT) :

ಕಂಪನಿಯ ಹೊರಸೂಸುವಿಕೆ ಮಟ್ಟವನ್ನು ರಾಜ್ಯ ಮಾಲಿನ್ಯ ನಿಯಂತ್ರಣ ಮಂಡಳಿಯು ನಿಗದಿಪಡಿಸಿರುವ ಮಾನಗಳಿಗೆ ಇಳಿಸಲಾಗಿರುತ್ತದೆ. ಇದನ್ನು ಸದರಿ ಮಂಡಳಿಗೆ ತಿಳಿಯಪಡಿಸಲಾಗಿದೆ. ಕಂಪನಿಯು ಮಾಲಿನ್ಯ ನಿಯಂತ್ರಣ ಮಂಡಳಿಯಿಂದ ನೀರು ಮತ್ತು ವಾಯುಮಾಲಿನ್ಯ ಸಂಬಂಧ ಮಾಲಿನ್ಯ ನಿಯಂತ್ರಣ ಕಾಯ್ದೆಯಡಿ ಎರಡಕ್ಕೂ ಪರವಾನಗಿ ನವೀಕರಿಸಿರುತ್ತದೆ.

ಐ. ತಾಂತ್ರಿಕತೆ ಉನ್ನತೀಕರಣ : ಆಡಳಿತ ಮಂಡಳಿಯು “ಬದಲಾವಣೆಯು ಅನಿವಾರ್ಯ” ಎಂಬ ತತ್ವದಲ್ಲಿ ನಂಬಿಕೆಯನ್ನಿರಿಸಿದ್ದು, ಕಂಪನಿಯು ಅಂತಹ ಅನಿವಾರ್ಯ ಬದಲಾವಣೆಗಳನ್ನು ಎದುರಿಸುವ ತಂತ್ರಜ್ಞಾನ ಆಹ್ವಾನವನ್ನು ಸ್ವೀಕರಿಸಿ ಸಜ್ಜುಗೊಳಿಸಬೇಕಿದೆ.

ಕಂಪನಿಯು ಬಾಯ್ಲರ್ ಹೌಸ್ ಸಾಮರ್ಥ್ಯವನ್ನು 3500 ಟಿಸಿಡಿ ಯಿಂದ 4750 ಟಿಸಿಡಿಗೆ ಹೆಚ್ಚಿಸಲು ಕ್ರಮ ತೆಗೆದುಕೊಂಡಿರುತ್ತದೆ ಮತ್ತು ಇದರ ಜೊತೆಗೆ FFE ತಂತ್ರಜ್ಞಾನವನ್ನು ಮತ್ತು ವಿದ್ಯುಚ್ಛಕ್ತಿ ಉತ್ಪಾದನೆಗೆ ಕಡಿಮೆ ಪ್ರಮಾಣದಲ್ಲಿ ಸ್ವೀಮ್ ಅನ್ನು ಉಪಯೋಗಿಸುವ ತಂತ್ರಜ್ಞಾನವನ್ನು ಅಳವಡಿಸಿದೆ.

ಜಿ. 2020-21ನೇ ಸಾಲಿನಲ್ಲಿ : ಈ ಎಲ್ಲಾ ವೈಪರಿತ್ಯಗಳ ನಡುವೆಯೂ ಆಡಳಿತ ಮಂಡಳಿಯು ಹೆಚ್ಚು ಪ್ರದೇಶದಲ್ಲಿ ಕಬ್ಬು ಬೆಳೆಯಲು ರೈತರಿಗೆ ಪ್ರೋತ್ಸಾಹಿಸಲು ಕ್ರಮಗಳನ್ನು ಕೈಗೊಂಡಿದ್ದು, ಮುಂದಿನ ದಿನಗಳಲ್ಲಿ ಹೆಚ್ಚು ಪ್ರದೇಶದಲ್ಲಿ ಕಬ್ಬು ಬೆಳೆಯಲು ರೈತರು ಉತ್ಸಾಹದಿಂದ ಮುಂದಾಗಬೇಕೆಂದು ಆಡಳಿತ ಮಂಡಳಿಯು ಆಶಾದಾಯಕವಾಗಿದೆ. 2020-21ನೇ ಸಾಲಿನಲ್ಲಿ ಹೆಚ್ಚು ಇಳುವರಿ ನೀಡುವ ಕಬ್ಬಿನ ತಳಿಯನ್ನು ಪ್ರಾಯೋಗಿಕವಾಗಿ ಅಳವಡಿಸಲು ರೈತರಿಗೆ ಪ್ರೋತ್ಸಾಹ ಮಾಡುತ್ತಿದೆ.

ಕೆ. ಆಡಳಿತ ಮಂಡಳಿಯು ಕಾರ್ಯನೀತಿ : ಕಾಲಕ್ರಮೇಣ ಹೊಸ-ಹೊಸ ಆಧುನಿಕ ತಂತ್ರಜ್ಞಾನವನ್ನು ಅಳವಡಿಸಿಕೊಂಡು ಅತ್ಯುತ್ತಮ ದರ್ಜೆಯ ಬಿಳಿಸಕ್ಕರೆಯನ್ನು ಉತ್ಪಾದಿಸಲು ಕಂಪನಿ ಆಡಳಿತವು ನಿರಂತರವಾಗಿ ಕಾರ್ಯಪ್ರವೃತ್ತವಾಗುವಂತೆ ನಂಬಿಕೆ ಹೊಂದಿದೆ. ಕಂಪನಿಯಲ್ಲಿ ಕೆಲಸ ಮಾಡುತ್ತಿರುವ ಎಲ್ಲರೂ ಒಂದೇ ಕುಟುಂಬದವರಂತೆ ಪ್ರತ್ಯಕ್ಷವಾಗಿ ಹಾಗೂ ಪರೋಕ್ಷವಾಗಿ ಎಲ್ಲರೂ ಒಟ್ಟಾಗಿ ಕಾರ್ಯಶೀಲರಾಗುವ ವಿಶ್ವಾಸವಿದೆ. ಕಂಪನಿಯು “ಕೊಟ್ಟು ತೆಗೆದುಕೊಳ್ಳುವ ತತ್ವ” ದಲ್ಲಿ ಅಚಲವಾದ ವಿಶ್ವಾಸವಿಟ್ಟಿದೆ. ಅದೆಂದರೆ, “ಹೆಚ್ಚು ದಕ್ಷತೆ - ಹೆಚ್ಚು ಉತ್ಪಾದನೆ - ಹೆಚ್ಚು ಪ್ರತಿಫಲ”. ಕಂಪನಿಯು ಕಬ್ಬಿನ ಬೀಜಗಳನ್ನು ರೈತರಿಗೆ ನೀಡಿ ಕಬ್ಬು ಬೆಳೆಯಲು ಸಹಕರಿಸುತ್ತಿದೆ. ಕಂಪನಿಯು ಸುಮಾರು 350 ಲೇಬರ್ ಗ್ಯಾಂಗ್‌ಗಳಿಗೆ ಕಬ್ಬು ಕಟಾವು ಮಾಡಲು ಮುಂಗಡ ಹಣ ನೀಡಿರುತ್ತದೆ. ಆದ್ದರಿಂದ ಮುಂದಿನ ವರ್ಷದಲ್ಲಿ ಕಬ್ಬು ಅರೆಯುವಿಕೆಯು ತುಂಬಾ ಪ್ರೋತ್ಸಾಹದಾಯಕವಾಗಿರುತ್ತದೆ.



ಎಲ್.ಆಡಳಿತ ಮಂಡಳಿ ಸಭೆಗಳು : 2020-21ನೇ ವಾರ್ಷಿಕ ವರ್ಷದಲ್ಲಿ ಒಟ್ಟು 20 ಆಡಳಿತ ಮಂಡಳಿ ಸಭೆಗಳು ಜರುಗಿದ್ದು ದರ ವಿವರಗಳು ಈ ಕೆಳಗಿನಂತಿವೆ :

| ಕ್ರ.ಸಂ. | ಸಭೆಗಳ ದಿನಾಂಕ | ಕ್ರ.ಸಂ. | ಸಭೆಗಳ ದಿನಾಂಕ | ಕ್ರ.ಸಂ. | ಸಭೆಗಳ ದಿನಾಂಕ |
|---------|--------------|---------|--------------|---------|--------------|
| 1 | 04-04-2020 | 8 | 04-09-2020 | 15 | 22-02-2020 |
| 2 | 05-05-2020 | 9 | 08-09-2020 | 16 | 08-03-2021 |
| 3 | 25-05-2020 | 10 | 23-10-2020 | 17 | 22-03-2021 |
| 4 | 06-06-2020 | 11 | 28-10-2020 | 18 | 23-03-2021 |
| 5 | 04-07-2020 | 12 | 23-12-2020 | 19 | 24-03-2021 |
| 6 | 10-07-2020 | 13 | 30-12-2020 | 20 | 31-03-2021 |
| 7 | 25-08-2020 | 14 | 14-01-2020 | | |

ಈ ಮೇಲೆ ತಿಳಿಯಪಡಿಸಿದಂತೆ ನಿರ್ದೇಶಕರು 20 (ಇಪ್ಪತ್ತು) ದಿನಗಳಲ್ಲಿ 2020-21ರಲ್ಲಿ ಸಭೆ ನಡೆಸಿರುತ್ತಾರೆ. ಒಂದು ಸಭೆಗಿಂತ ಇನ್ನೊಂದು ಸಭೆಯ ಕಾಲವು ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ನಿಯಮ 173ರಂತೆ ಇರುತ್ತದೆ. ಪ್ರತಿ ನಿರ್ದೇಶಕರು ಭಾಗವಹಿಸಿರುವ ಸಭೆಗಳ ಸಂಖ್ಯೆಯು 2020-2021ರಲ್ಲಿ ನಿಯಮ 9ರ ಎಸ್.ಎಸ್. 1ರ ನಿಯಮದಂತೆ ಇದ್ದು ಕಂಪನಿ ಕಾಯ್ದೆ 2013ರ ನಿಯಮ 118 (10)ಕ್ಕೆ ಅನುಗುಣವಾಗಿರುತ್ತದೆ. ನಿರ್ದೇಶಕರು ಹಾಜರಾಗಿರುವ ಸಭೆಯ ವಿವರಗಳು.

| ಕ್ರ. ಸಂ. | ನಿರ್ದೇಶಕರ ಹೆಸರುಗಳು | 2020-21ರಲ್ಲಿ ನಡೆಸಲಾದ ನಿರ್ದೇಶಕರ ಸಭೆಯ ವಿವರಗಳು |
|----------|--------------------------------|---|
| 1. | ಶ್ರೀ ಎಸ್.ಎಸ್. ಗಣೇಶ್ | 20 |
| 2. | ಶ್ರೀ ಅಭಿಜಿತ್ ಗಣೇಶ್ ಶಾಮನೂರು | 20 |
| 3. | ಶ್ರೀಮತಿ ರೇಖಾ ಗಣೇಶ್ | 18 |
| 4. | ಶ್ರೀ ತುಂಬಿಗರೆ ರುದ್ರಪ್ಪ | 15 |
| 5. | ಶ್ರೀ ತಪ್ಪಗೊಂಡನಹಳ್ಳಿ ರಾಜಶೇಖರಪ್ಪ | 15 |

ಎಂ. ಔದ್ಯಮಿಕ ಬಾಂಧವ್ಯಗಳು : ಕಾರ್ಮಿಕರೊಂದಿಗಿನ ಔದ್ಯಮಿಕ ಸಂಬಂಧ ಹೈತ್ಯೂರ್ವಕವಾಗಿ ಹಾಗೂ ತೃಪ್ತಿಕರವಾಗಿ ಮುಂದುವರೆದಿದೆ. ಪ್ರಸಕ್ತ ವರ್ಷದಲ್ಲಿ ಸಿಬ್ಬಂದಿಯವರ ಸಹಕಾರಕ್ಕೆ ನಿಮ್ಮ ನಿರ್ದೇಶಕರು ತಮ್ಮ ಗೌರವಾದರಗಳನ್ನು ದಾಖಲಿಸಲು ಇಚ್ಛಿಸುತ್ತಾರೆ.

ಎನ್.ಕಂಪನಿಯ ಸಾಮಾಜಿಕ ಜವಾಬ್ದಾರಿಗಳು : ಕಂಪನಿಯ ಸಾಮಾಜಿಕ ಜವಾಬ್ದಾರಿಯ ಸಮಿತಿಯು ದಿನಾಂಕ 9-01-2020ರಲ್ಲಿ ಸಭೆಯನ್ನು ನಡೆಸಿ ಕಂಪನಿ ವತಿಯಿಂದ ಸಾಮಾಜಿಕ ಚಟುವಟಿಕೆಗಳಿಗೆ ನೀಡಲಾಗಿರುವ ವಿವರಗಳನ್ನು ಪರಿಶೀಲಿಸುತ್ತದೆ. ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಎಜುಕೇಷನ್ ಸೊಸೈಟಿ ವತಿಯಿಂದ ನಡೆಸುವ ಶಾಲೆಗೆ ಸಹಾಯಧನ ನೀಡುತ್ತಿದೆ. ಶಾಲೆಯಲ್ಲಿ ಗ್ರಾಮೀಣ ಭಾಗದ ಮಕ್ಕಳು ವಿದ್ಯಾಭ್ಯಾಸ ಪಡೆಯುತ್ತಿದ್ದಾರೆ. ಕಂಪನಿಯು ಪ್ರತಿವರ್ಷ ಗ್ರಾಮೀಣ ಯುವಕರು-ಯುವತಿಯರಿಗೆ ಕ್ರೀಡಾಕೂಟವನ್ನು ನಡೆಸುತ್ತಿದ್ದು, ಗ್ರಾಮೀಣ ಬಡಮಕ್ಕಳಿಗೆ ಉಚಿತವಾಗಿ ಸಮವಸ್ತ್ರ ನೀಡಿದೆ. 2020-2021 ವಾರ್ಷಿಕ ಅವಧಿಯಲ್ಲಿ 4,86,200 ರೂ.ಗಳನ್ನು ಈ ಮೇಲ್ಕಂಡ ಚಟುವಟಿಕೆಗಳಿಗೆ ನೀಡಿರುತ್ತದೆ. ಕಳೆದ ಆರು ವರ್ಷಗಳಲ್ಲಿ ಕಂಪನಿಯು 28,49,104 ರೂ.ಗಳನ್ನು ಕಂಪನಿಯ ಸಾಮಾಜಿಕ ಚಟುವಟಿಕೆಗಳಿಗೆ ನೀಡಿರುತ್ತದೆ.

ಆದರೆ ಕಂಪನಿಯ ನಿಯಮ 2013 ರಂತೆ ಕಂಪನಿಯ ಸಾರ್ವಜನಿಕ ಜವಾಬ್ದಾರಿಗೆ ವ್ಯಯ ಮಾಡಲು ಯಾವುದೇ ಹೊಣೆ ಇರುವುದಿಲ್ಲ.



| Financial year | Net profit / (loss) (Rs.) |
|----------------|---------------------------|
| 2020-21 | 2,49,92,829 |
| 2019-20 | 2,06,92,639 |
| 2018-19 | 3,22,21,299 |

ಓ. ಅಂಗೀಕರಣೆಗಳು : ನಿಮ್ಮ ನಿರ್ದೇಶಕರ ಮಂಡಳಿಯವರು, ಕಂಪನಿಗೆ ನೀಡಿರುವ ಸಹಕಾರಕ್ಕಾಗಿ ಕಬ್ಬು ಬೆಳೆಗಾರರಿಗೂ, ಭಾರತ ಸರ್ಕಾರದವರಿಗೂ, ಕರ್ನಾಟಕ ಸರ್ಕಾರದವರಿಗೂ, ಬ್ಯಾಂಕ್‌ಗಳವರಿಗೂ, ಹಣಕಾಸು ಸಂಸ್ಥೆಗಳವರಿಗೂ ತನ್ನ ಸಿಬ್ಬಂದಿ ವರ್ಗದವರಿಗೂ ಮತ್ತು ಷೇರುದಾರರಿಗೂ, ಕಂಪನಿಗೆ ಅವರುಗಳು ಕೊಟ್ಟಿರುವ ನಿರಂತರ ಬೆಂಬಲ ಮತ್ತು ಧಾರಾಳ ಸಹಾಯಕ್ಕಾಗಿ ಮತ್ತು ಕಂಪನಿಗೆ ತೋರಿದ ಮಾರ್ಗದರ್ಶನಕ್ಕೆ ಕೃತಜ್ಞತಾಭಾವದಿಂದ ಗೌರವ ಪೂರ್ವಕವಾದ ಧನ್ಯವಾದಗಳನ್ನು ಅರ್ಪಿಸುತ್ತಾರೆ.

ಸ್ಥಳ : ದಾವಣಗೆರೆ
ದಿನಾಂಕ: 30-08-2021

ನೊಂದಾಯಿತ ಕಛೇರಿ :
ನಂ. 73/1, ಪಿ.ಬಿ. ನಂ. 312
ಶಾಮನೂರು ರಸ್ತೆ,
ದಾವಣಗೆರೆ-577 004.

ಆಡಳಿತ ಮಂಡಳಿ ಅಪ್ಪಣೆ ಮೇರೆಗೆ
ದಾವಣಗೆರೆ ಷುಗರ್ ಕಂಪನಿ ಲಿಮಿಟೆಡ್ ಪರವಾಗಿ

ಎಸ್.ಎಸ್. ಗಣೇಶ್
ವ್ಯವಸ್ಥಾಪಕ ನಿರ್ದೇಶಕರು
DIN: 00451383



DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 50th (Fiftieth) Annual Report together with Audited Financial Statements for the year ended 31st March, 2021.

We, as the Directors of your Company, are very eager to announce the Company's affairs during the operating year 2020-21. We are presenting before you, the significant information as per the requirements of Section 134 of the Companies Act, 2013.

STATE OF COMPANY'S AFFAIRS 2020-21:

Crushing Operations and Sugar Produced:

The Crushing Operations were commenced from 08.10.2020 and closed on 10.02.2021 and your Company crushed 3,31,712.00 MTs of sugarcane during the Financial Year 2020-21 and crushing operations were conducted for 126 days. During the previous financial year 2019-20 company conducted crushing operation days for 117 days..

| Year | Sugarcane Crushed (MTs) | Sugar Produced (Qtls) | Recovery (%) |
|---------|-------------------------|-----------------------|----------------|
| 2020-21 | 3,31,712 | 3,11,462 | 9.48% |
| 2019-20 | 3,26,210 | 2,93,660 | 9.00% |
| 2018-19 | 4,36,176 | 4,11,450 | 9.45% |
| 2017-18 | 1,41,225 | 1,21,500 | 8.50% |

The Company is anticipating good crushing during the ensuing season due to more number of farmers have diverted from paddy to sugarcane growing due to introduction of new high yield variety sugarcane VCF-0517 (expected yield between 80 MTs to 110 MTs) which results in availability of more sugarcane for crushing during the ensuing season 2021-22. The Company expects to crush at least 5,35,000 MTs of sugarcane during the coming season 2021-22. In the coming season company expects coverage of more and more land under sugarcane plantation, so that the company can achieve the target crushing of sugarcane up to 7,45,000 MTs in couple of years.

Area covered under sugarcane cultivation:

The management is making continuous and sincere efforts of bringing more and more land under sugarcane cultivation. The following are the figures of areas of actual sugar cane cultivation in the last four years and the estimation for the ensuing year.

| Year | Area under sugarcane cultivation (in acres) |
|--------------------------------------|---|
| 2017-18 | 5,282 |
| 2018-19 | 12,796 |
| 2019-20 | 8,489 |
| 2020-21 | 8580 |
| 2021-22 (estimated for ensuing year) | 10,120 |

Export of Sugar & Molasses :

During the FY 2020-21 the company has exported sugar and molasses as follows :

| Sl. No. | Product | Amount Rs. | Quantity |
|---------|----------|--------------|--------------|
| 1 | Sugar | 21,72,41,860 | 2778.74 Qtls |
| 2 | Molasses | 9,36,31,479 | 7443.33 Mts |

Co-gen and Power Export :

Co-gen and Power Export Company is having a Co-gen power plant having an installed capacity of 24 MWs. During the Financial Year 2020-21 the Company has generated 44500800 units of power and has exported 30892800 units of power to ESCOMS compared to previous year export of 29619600 units. The Company has imported 921600 units of power from KPTCL during the year under review



compared to previous year's import of 904800 units of power. The Co-gen unit has worked for 126 days during the year 2020-21 against 120 days during previous year 2019-20.

MANAGEMENT DISCUSSION AND ANALYSIS SUGAR INDUSTRY OVERVIEW

SECTOR OUTLOOK :

The sector has seen a turnaround from being a cyclical to a structural growth sector backed by government's aggressive ethanol blending programme. In the current ethanol procurement cycle, OMCs would be procuring more than 300 crore litre of ethanol vs. 180 crore litre last year, which is closer to 8% blending levels. We believe more than 15% blending levels would help the sugar industry to divert 6 million tonnes (MT) of excess sugar produced every year. With aggressive distillery capacity addition in India, our coverage sugar companies would see strong earnings growth over the next three years.

With the massive increase in distillery capacities by sugar companies, ethanol sales are likely to double for most of our coverage companies. We believe ethanol sales would contribute 25-30% to revenues of major sugar companies by FY24. Moreover, reducing sugar inventories in the system are likely to push domestic sugar prices upwards.

IMPACT COVID-19 :

The outbreak of COVID-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities throughout India. The nationwide lockdown ordered by the Government of India w.e.f. 24th April 2021. There was no major impact of lock down on sugarcane crushing since the crushing operations were completed by 10.02.2020.

Our company falls under the production of Essential Commodity i.e. sugar under the Essential Commodities Act, and hence it was permitted to continue the working of the Company under the Notification of the State Government.

GOVERNMENT MEASURES :

The Government set an ambitious target of ethanol blending and increased the procurement price of ethanol across all feedstocks. Contracts for 303 crore ltrs were signed, the increase auguring well for the industry. The season 2020-21 witnessed more sugar units producing ethanol from B Heavy molasses and some sugar units directly from sugarcane juice. The real transformation is expected from SS 2022- 23 onwards when more sugar companies produce ethanol directly from sugarcane juice, resulting in a substantial sacrifice of sugar production that moderates the problem of surplus sugar production.

Thanks to the export initiative embarked up on by the central government, sugar stocks at the end of the SS are estimated at around 9 million tonnes. From a high of 14.6 million tonnes at the close of SS 2019-20, the decline represents a creditable improvement. The ethanol blending program played a role although its importance will be increasingly visible in the years to come when the increased utilization of sugarcane juice / syrup for ethanol manufacture could result in an increased sacrifice of sugar production and a moderated domestic sugar balance.

POWER

Cogeneration of Power: On 28th June 2019, Ministry of Power, Government of India issued an order directing Regional Load Despatch Centres (RLDC) and State Load Despatch Centres (SLDC) to open Letter of Credit (LC) in favour of power generating companies for the agreed quantum of power supply. The order provides for encashment for LC by the generating company after the agreed credit period of 45 or 60 days as the case may be. This was a welcome move by the GOI to facilitate timely collection of debtors, which has come into effect from 01.08.2019.

MANAGEMENT OUT LOOK FOR 2021-22

The Management believes its policy of continuous effort to produce the high quality of white sugar through adoption of modern & advanced technology from time to time. It believes in team effort of all people who are directly and indirectly working with the Company as one family. It strongly believes in "give and take policy" that is more production & more efficiency means more rewards.

ETHANOL

A policy push from the Government of India (GOI) towards Ethanol Blending Programme (EBP), While the programme initially targeted a 10% blending of petrol with the biofuel by 2022, later the target was enhanced to achieve 20% ethanol blending with petrol by 2030.

The management of our Company has taken steps towards commissioning of 65 KLPD capacity of Ethanol Plant within factory premises by adopting ZLD technology. The cost of project is estimated to be Rs. 99.00 crore. Term loan for the project has already been



got sanctioned from State Bank of India, Canara Bank, Indian Bank and Davangere District Central Cooperative Bank as to the extent of Rs. 64.34 crore.

The company has already placed order for construction of Ethanol plant to different vendor and management is expected to start commercial production from January 2022.

The Company is also planning to produce Extra Neutral Alcohol (ENA) and sanitizer, the outbreak of COVID 19 has exposed the fragility of life. There have been casualties galore across the Globe which in-turn demanded practicing the highest standards of hygiene have emerged as the only viable options to break the chain of this virus. Based on the W.H.O. recommended formula, using 80% Ethyl Alcohol, Sanitizers are recommended for daily use and are capable of fighting germs up to 99.9%.

SUGAR CANE PLANTATION

Company is constantly endeavoring to increase sugar cane cultivation area along with high yield sugar cane plantation, this has resulted into successful implementation of pilot project which carried in the year 2018-19 and 2019-20 with VCF 0517 variety of sugarcane, which has yielded 90 to 110 ton of sugar cane per acre against average yield of traditional sugarcane of 35 MTs to 50 Mts. This has motivated majority of the farmers for adopting VCF 0517 variety for the planting season 2020-21. The Company is expected to cover a land area of about 6,000 acres under the new variety of VCF 0517 sugarcane.

FINANCIAL RESULTS

The financial results for the year ending 31st March, 2021 are summarized below :

Rs. In Lakhs

| | Particulars | Current Year 2020-21 | Previous Year 2019-20 |
|-----|---|-----------------------------|------------------------------|
| 1. | Revenue from operations (Gross) | 14452.78 | 20284.71 |
| 2. | Other Income | 328.39 | 21.51 |
| 3. | Total | 14781.17 | 20306.22 |
| 4. | Cost of Material Consumed | 9236.88 | 9504.31 |
| 5. | Operating Expenses | 760.58 | 775.79 |
| 6. | Changes in inventories of finished goods | 652.22 | 5330.06 |
| 7. | Other expenses | 1270.50 | 1360.94 |
| 8. | Profit before depreciation and financial expenses | 1209.30 | 3335.12 |
| 9. | Financial cost | 1651.66 | 2174.32 |
| 10. | Depreciation and amortization | 887.60 | 899.47 |
| 11. | Profit before exceptional and extraordinary items | 321.69 | 261.32 |
| 12. | Exceptional & Extraordinary Expenses | - | - |
| 13. | Profit before tax | 321.69 | 261.32 |
| 14. | MAT provision | 58.80 | 43.56 |
| 15. | Deferred tax | 12.96 | 10.83 |
| 16. | Profit/Loss for the year | 249.92 | 206.93 |

DIVIDEND : No dividend was recommended in order to conserve resources for the current year.

TRANSFER TO RESERVES

Your Directors do not propose to carry any amount to reserves of the Company.

**CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY**

There is no change in the nature of business carried on by the Company during the said financial year.

MATERIAL CHANGES AND COMMITMENTS DURING THE YEAR :

During the period after the end of the financial year of the company and before the date of the report, there are no material changes and commitments which affect the financial position of the company.

SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATOR COURTS AND TRIBUNALS :

During the year, there are no significant and material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

COST AUDITOR :

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and rules made thereunder, the Board on the recommendation of the Audit Committee has re-appointed Mr. Krishna Murthy Cost Accountants (Firm Regn No. 000019), as Cost Auditors to conduct cost audits relating to sugar, electricity and industrial alcohol for the year ended 31st March, 2021. The Cost Accountants have confirmed that their appointment is within the limits of Section 141(3)(g) of the Act and free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013.

MEETINGS OF THE BOARD

20 (Twenty) meeting of the Board of Directors were held during the year on following dates :

| Sl. No. | Date of Board meeting | Sl. No. | Date of Board meeting |
|---------|-----------------------|---------|-----------------------|
| 1 | 04-04-2020 | 11 | 28-10-2020 |
| 2 | 05-05-2020 | 12 | 23-12-2020 |
| 3 | 25-05-2020 | 13 | 30-12-2020 |
| 4 | 06-06-2020 | 14 | 14-01-2021 |
| 5 | 04-07-2020 | 15 | 22-02-2021 |
| 6 | 10-07-2020 | 16 | 08-03-2021 |
| 7 | 25-08-2020 | 17 | 22-03-2021 |
| 8 | 04-09-2020 | 18 | 23-03-2021 |
| 9 | 08-09-2020 | 19 | 24-03-2021 |
| 10 | 23-10-2020 | 20 | 31-03-2021 |

The Board of Directors duly met 20 (Twenty) times on the above dates during the financial year 2020-21. The intervening gap between any two meetings was within the period prescribed under the provisions of section 173 of the Companies Act, 2013. The number of Board Meetings attended by each of the Directors of the Company held during the financial year 2020-21 as required under clause - 9 of SS -1 – Secretarial Standard on Meetings of the Board of Directors issued under section 118(10) of the Companies Act, 2013.

Particulars of employees and related information: -

In terms of the provision of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above rules are provided in Annexure-IV.

Directors and Key Managerial Personnel: -

During the year there is no change in Director and Key Managerial Personnel.

During the year 2020-21 the board of directors consists of



| Sl. No. | Name | Designation | Relationship |
|---------|---------------------------------------|----------------------|--------------|
| 1 | Sri Shamanur Shivashankarappa Ganesh | Managing Director | - |
| 2 | Sri Abhijith Ganesh Shamanur | Executive Director | Son of M.D. |
| 3 | Smt. Rekha Ganesh | Director | Wife of M.D. |
| 4 | Sri Tumbegere Rudrappa | Independent Director | - |
| 5 | Sri Thappagondanahally Rajashekarappa | Independent Director | - |

| Sl. No. | Name of the Director | Number of Board Meetings attended during the financial year 2020-21 |
|---------|---------------------------------------|---|
| 1 | Sri S.S Ganesh | 20 |
| 2 | Sri Abhijith Ganesh Shamanur | 20 |
| 3 | Smt. Rekha Ganesh | 18 |
| 4 | Sri Rudrappa Tumbegere | 15 |
| 5 | Sri Thappagondanahalli Rajashekarappa | 15 |

As on March 31st 2021 key managerial personnel consists of

| Sl.No. | Name of the Director | Number of Board Meetings attended Designation |
|--------|--------------------------------------|---|
| 1 | Sri Shamanur Shivashankarappa Ganesh | Managing Director |
| 2 | Mr Arun Kumar N M | Chief Financial Officer (CFO) |
| 3 | Smt. Pooja M M | Compliance Officer (CO) |

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Company has constituted Nomination and Remuneration Committee which has been entrusted with the responsibility to formulate the criteria for determining qualifications, positive attributes and independence of Directors and recommends to the Board a policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

COMPOSITION OF COMMITTEES

| | | |
|----|--|--|
| a. | AUDIT COMMITTEE Chairman Other Members | Sri. Rudrappa Tumbegere, Independent Director Sri Abhijith Ganesh Shamanur, Executive Director Sri T. Rajashekarappa, Independent Director |
| b. | NOMINATION AND REMUNERATION COMMITTEE Chairman Other Members | Sri T. Rajashekarappa, Independent Director Sri. Rudrappa Tumbegere, Independent Director Smt. Rekha S Ganesh, Non-executive Director |
| c. | SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE Chairman Other Members | Sri. Rudrappa Tumbegere, Independent Director Sri. T. Rajashekarappa, Independent Director Smt. Rekha S Ganesh, Non-executive Director |



| | | |
|-----------|--|--|
| d. | CORPORATE SOCIAL RESPONSIBILITY COMMITTEE | |
| | Chairman | Sri. Rudrappa Tumbegere, Independent Director |
| | Other Members | Sri T. Rajashekarappa, Independent Director Smt. Rekha S Ganesh, Non-executive Director |

Corporate Social Responsibility

Corporate Social Responsibility Committee meeting was held on 09th January 2020. The committee has observed that the company is contributing regularly to Davangere Sugar Company Education Society (Regd.) which is running schools for the benefit of children of poor farmers residing in the villages surrounding the factory area. The Company is also spending money every year on promoting sports among the rural youths. The Company is also distributing note books and uniforms to the poor children of the village. During the Financial Year 2020-21 the Company has spent Rs. 4,86,200 for the purpose of education and other charitable activities. During the last six years the Company has spent total amount of Rs. 28,49,104/- towards discharging the Corporate Social Responsibility.

The calculation for CSR contribution is provided below :

| Financial year | Net profit / (loss) (Rs.) |
|----------------|---------------------------|
| 2020-21 | 2,49,92,829 |
| 2019-20 | 2,06,92,639 |
| 2018-19 | 3,22,21,299 |

Even though the provision of section 135 of the company act is not applicable, the company is spending the money on CSR activities of providing free education to poor children, promoting sports activities and drinking water to rural poor people.

VIGIL MECHANISM

The Vigil Mechanism acts as an additional internal element of the Company's compliance and integrity policies. All employees, directors, vendors, suppliers, dealers and consultants, including auditors and advocates who are associated with the Company can raise concerns regarding malpractices and may negatively impact the Company. Vigil Mechanism has been established under the supervision of the Deputy Financial Officer (DCFO) of the Company. The Audit Committee and the DCFO reviews the working of the Vigil Mechanism from time to time and make suggestions, if needed. The Vigil protects the whistleblower against victimization for the disclosure made by him/her and ensures complete confidentiality of the whistleblower's identity and the information provided by him/her.

The investigation is conducted honestly, neutrally and in an unbiased manner. The subject or other involved persons in relation with the protected disclosure are also given an opportunity to be heard. Strict disciplinary actions are taken against anyone who conceals or destroys evidences related to protected disclosures made under this mechanism. The Vigil Mechanism policy also provides for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

CORPORATE GOVERNANCE

As per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a report on Corporate Governance together with the Auditors Certificate regarding compliance of the conditions of corporate governance is provided under Annexure II

DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors in terms of Section 134(3) (c) states that:

In the Preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- a. The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profits and Loss of the Company for that year.



- b. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- c. The Directors have prepared the accounts for the financial year ended 31st March, 2021 on a “going concern” basis.
- d. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES:-

During the year, company has not made any Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

CHANGE IN SHARE CAPITAL

During the year the company has increased its authorized capital from Rs. 60,00,00,000/- to Rs. 100,00,00,000/- crores wide extraordinary meeting Resoulution dated 30th June 2021 divided into 1,00,00,000 Equity Shares of Rs. 10/- each and the Paid up Capital being Rs. 55,68,44,620/- divided into 5,56,84,462 Equity Shares is the same as opening balance in the beginning of the year and as closing balance at the end of the year. There is no change in Share Capital of the Company during the FY 2020-21.

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure-I is attached to this Report.

FORMAL ANNUAL EVALUATION

The Company is covered under Section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rule, 2014. Accordingly formal annual evaluations of performance of Board, Committees and individual directors have been conducted by the Nomination & Remuneration Committee in the following manner.

The evaluation is done internally. The evaluation is done on the basis of inputs received from the directors regarding the performance of board & committees as a whole and also of director in individual capacity. Specific inputs have been collected from Independent Directors regarding performance of Managing Director and Whole-time Director.

Broad parameters for board performance have been the efficiency to guide the Company in its core business operation, Supplementary parameter is exploring opportunities for bringing new business opportunities for the company. Specific parameter for Managing Director and Whole-time Director is achievement of targets on the core business. Specific parameter for independent directors and other non-executive directors is attendance at board/committee meetings and providing independent judgments on the board decisions. Specific parameter for committees is execution of their terms of reference.

SUBSIDIARY COMPANIES

There is no Subsidiary / Joint Ventures or Associate Company.

RISK MANAGEMENT

The RISK MANAGEMENT POLICY is in compliance with Section 134(3)(n) of the Companies Act, 2013 which requires the Company to lay down procedures for risk assessment and procedure for risk minimization. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structure and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The Board ensures that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e., to ensure adequate systems for risk management. The Company enables compliance laws and regulations, wherever applicable, through the adoption of best practices.

The Board of Directors of the Company and the Audit Committee periodically reviews and evaluates the risk management system of the Company so that the management controls the risks through defined network. Head of Departments are responsible for implementation of the risk management system as may be applicable to their respective areas of functioning, and they report to the Board and Audit Committee when circumstances require.



FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of the programme for familiarization of the Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which company operates, business model of the Company and related matters have in place.

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

Not applicable to Company

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars and details of loans given, investments made or guarantees given and securities provided, if any, are given in the Notes to the Financial Statements.

SECRETARIAL AUDIT REPORT

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 M/s. Amit R. Dadheech & Associates (firm), Mumbai, as Company Secretaries in Practice (CP No. 8952), to undertake the Secretarial Audit of the Company for the year 2020-21.

The Secretarial Audit Report is annexed herewith in Form MR-3 & same is marked as Annexure – III.

INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. There are sound internal controls commensurate with nature and size of the company that have been incorporated in the Policy to detect the financial discrepancies well in time. Key policies are defined, understood and enforced. Operating procedures are clearly defined; detailed and harmonized procedures are available across the organization. Several controls are preventive in nature and automated. All stakeholders are aware of their roles and responsibilities with respect to processes and controls.

The culture of compliance with laid down guidelines and procedures is evident though the actions and behavior of individuals and teams. The Management Information System ensures that adequate and accurate information is available for reporting and decision making. The Audit committee also evaluates the operating effectiveness of Internal Financial Control system.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION :

Particulars with respect to conservation of energy pursuant to rule 8 (3) of the Companies (Accounts) Rules 2014 are given in Annexure-V.

DEPOSITS

The Company has not accepted deposits either from members or public within the meaning of section 73 or 76 of Companies Act, 2103 read with Rules made thereunder.

RELATED PARTY TRANSACTIONS

All Related Party Transactions entered during the financial year were in the ordinary course of business and at arm's length basis. There were no materially significant Related Party Transactions with the Company's Promoters, Directors, Management or their relatives, which could have a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as required to be provided under Section 134(3)(h) of the Companies Act, 2013 are disclosed in Form AOC-2.

AUDITORS OF THE COMPANY

During the financial year 2020-21, on March 1,2021 Mr B Gangadhara of M/s. B Gangadhara & Co., Chartered Accountants as the Statutory Auditor of the company has resigned from the position of statutory auditor. Board of directors of the company has appointed M/s D G M S Chartered Accountants in order to fill up casual vacancy in the board meeting held on 15-03-2021, the auditor appointment was subsequently regularized in an extraordinary general meeting of the company held on June 30th 2021.

**COST AUDITORS**

Mr. M.R. Krishna Murthy, Bangalore, have been appointed as Cost Auditors of the Company as per the provisions of Section 148(1) of the Act.

LISTED IN THE BOMBAY STOCK EXCHANGE LTD.

The Company has listed its securities in the Bombay Stock Exchange with the effect from 19th March 2021.

HUMAN RESOURCES

Your Company treats its "human resources" as one of its most important assets. We focus on all aspects of the employee lifecycle. This provides holistic experience for the employees as well. During their tenure at the Company, employees are motivated through various skill development programs. We create effective dialogue through our communication channels to ensure effective dialogue through our communication channels to ensure that feedback reach the relevant team, including leadership.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

SUMMARY OF COMPLAINTS RECEIVED AND DISPOSED OFF DURING EACH CALENDAR YEAR AS REQUIRED UNDER THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 AND DISCLOSURE THAT THE COMPANY HAS IN PLACE AN ANTI SEXUAL HARASSMENT POLICY IN THE LINE WITH THE REQUIREMENTS OF THE ACT AND THAN AN INTERNAL COMPLAINTS COMMITTEE HAS BEEN SET UP FOR REDRESSAL OF COMPLAINTS AND THAT ALL EMPLOYEES (PERMANENT, CONTRACTUAL, TEMPORARY, TRAINEES) ARE COVERED UNDER THE POLICY

Your Board of Directors report that during the year under report Anti Sexual Harassment Policy in line with the requirement of Workplace (Prevention, Prohibition and Redressal) Act, 2013 is in place and has complied with the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and further the employees have been advised to address their grievances under this Act to the Working Director of the Company for redressal.

1. Number of complaints received during the year : NIL
2. Number of complaints Pending : NIL
3. Number of resolved : NIL

COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS BY THE COMPANY

Your Directors report that during the year under report, the Company has complied with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under sub-section (10) of section 118 of the Companies Act, 2013.

MAINTENANCE OF COST RECORDS

Your Directors report that maintenance of cost records specified by the central Government pursuant to the provisions of sub-section (1) of section 148 of the Companies Act, 2013 are applicable to the Company and the Company has maintained the prescribed accounts and cost records during the financial year under report.

GENERAL

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

- a) Issue of equity shares;
- b) Company has issued Corporate Guarantee to the Harvesting & Transport (H&T) farmers contractors to facilitate borrowing from Canara Bank to the extent of Rs. 29.00 crores and Rs. 7.98 Crore from State Bank of India. These farmers contractors facilitate



harvesting and transportation of sugarcane from the fields of the farmers to the Company which is very important from the point of view of procurement of sugarcane for business of the Company. Company does not assign contract or work order to H & T contractors. Farmers are assigning work of harvesting and transportation to supply sugarcane to Company. The disclosure is made as per Section 186 of the Companies Act, 2013 during the year under review;

- c) Issue of shares with differential rights;
- d) Issue of shares (including sweat equity shares) under Employees Stock Option Scheme;
- e) Purchase by Company of its own shares or giving of loans for such purchase;
- f) Buyback of shares;
- g) No significant orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future;
- h) No material change affecting Financial Statements between the end of financial year and the date of this report;
- i) There was no change in business activity of the Company;
- j) No fraud has been reported by the Auditors to the Audit Committee of the Board;
- k) No cases of child labour, involuntary labour, sexual harassment and discriminatory employment were reported in the Financial Year 2020-21.

ACKNOWLEDGEMENT :

Your directors wish to thank and acknowledge the Banks, Government authorities and associates for their assistance and co-operation.

As per our Audit Report of even date annexed

For D G M S & Co
Chartered Accountants
Frim M.No: 0112187W
Sd/-
Mr Shashank P Doshi
Partner
M No. 108456

Sd/-
S S Ganesh
Managing Director
DIN : 00451383

Sd/-
Abhijith G Shamanur
Executive Director
DIN : 03451918

For and on behalf of the Board of Directors

Sd/-
Arun Kumar N M
CFO

Sd/-
Pooja M M
Compliance Officer

Date : 30-08-2021
Place : Davangere

**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)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

| SL No | Name of the Contracting Party | Nature of Relationship | Nature of Transaction | Period of transaction | Actual amount paid | Advance paid (if any) | Related party due to | Member Interested in contract (with % of Shareholding in the Company) |
|-------|-------------------------------|----------------------------------|--|-----------------------|-----------------------------|-----------------------|----------------------|---|
| 1 | M/s. Kalleswara Traders | MD's Relative is partner in firm | Purchase of provision item for Company canteen | 2020-21 | Rs. 1,66,385 | Nil | - | N.A. |
| 2 | M/s. S. Kallappa & Sons | MD is partner in firm | Purchase of provision item for Company canteen Sales of Sugar | 2020-21 2020-21 | Rs. 20,965 Rs. 91,56,823 | Nil | - | N.A. |
| 3 | M/s. Shivashankar Associates | MD is partner in firm | Purchase of provision item for Company canteen | 2020-21 | Rs. 1,69,462 | Nil | - | N.A. |

2. Details of material contracts or arrangement or transactions not at arm's length basis

| SL No | Name of the Contracting Party | Nature of Relationship | Nature of Transaction | Period of transaction | Estimated Value (Actual amount paid) | Advance paid (if any) | Related party due to | Member Interested in contract (with % of Shareholding in the Company) |
|-------|-------------------------------|------------------------|-----------------------|-----------------------|--------------------------------------|-----------------------|----------------------|---|
| --- | | | | | | | | |

NOT APPLICABLE

Date: August 30, 2021
Place: Davangere
Registered Office
73/1, Post Box No.312,
Shamanur Road, Davangere.
KA:- 577004.

By Order of the Board
For Davangere Sugar Company Limited

Sd/-
S. S. Ganesh
Managing Director
DIN: 00451383

**FORM – A**
(See Rule 2)**Form for Disclosure of Particulars with respect to Conservation of Energy**

| PARTICULARS | For the Current Year ended March 31, 2021 | For Previous Year ended March 31, 2020 |
|---|--|---|
| I. POWER AND FUEL CONSUMPTION | | |
| 1. ELECTRICITY | | |
| A. Purchases | | |
| Unit | 921600 | 904800 |
| Total Amount | 1,19,80,800 | 97,75,511 |
| Rate/Unit | 13 | 10.80 |
| B. Own Generation | | |
| [a] Through Diesel Generator | | |
| Unit | 2590 | 5,270 |
| Unit per Litre of Diesel Oil | 2.09 | 2.43 |
| Cost/Unit | 42.91 | 31.69 |
| [b] Through Steam Turbine | | |
| Unit | 4,45,00,800 | 4,39,82,700 |
| Unit per MT of fuel consumed | 426.16 | 480.40 |
| Cost/Units | | |
| C. Consumption per unit of production (per Qtl of Sugar) | | |
| Standards If any | | |
| Products (with details) Unit – Sugar in Qtls | 3,11,462 | 2,93,660 |
| Electricity consumption per qtl of sugar (units) Furnace Oil | 31.79 | 36.02 |

Date: August 30, 2021
Place: Davangere
Registered Office
73/1, Post Box No.312,
Shamanur Road, Davangere.
KA:- 577004.

By Order of the Board
For Davangere Sugar Company Limited

Sd/-
S.S. Ganesh
Managing Director
DIN: 00451383

**ANNEXURE - IV****Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below :

| Name of the Director | Designation | Ratio to median employees' remuneration |
|---------------------------------------|--------------------|---|
| Shri Shamanur Shivashankarappa Ganesh | Managing Director | 336.45:1 |
| Shri Abhijith Ganesh Samanur | Executive Director | 7.91:1 |

- a) There is no increase in remuneration of each of director, Chief Financial Officer and Company Secretary in the financial year 2020-21:
- b) There is no increase in median remuneration of employee during the current accounting year of 12 months over the previous accounting period consisting of 12 months.
- c) As on 31st March, 2021, the Company has on its payroll 275 permanent employees excluding seasonal employees.
- d) Affirmation that the remuneration is as per the remuneration policy of the Company
Remuneration paid to Managing Director is as per approved policy of the Company.

A Statement showing the name of every employee of the company, who

- ♦ If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One crore & twenty lakh rupees; **NIL**
 - ♦ If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight lakh fifty thousand rupees per month: **Not Applicable**.
 - ♦ If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: **NIL**
- B) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: There is increase of 4% to 5% average increase in the salaries of selective employees.
- C) Details of remuneration with break-up of components paid to Executive Chairman & Managing Directors, terms of appointment are stated in Corporate Governance Report.



CODE OF BUSINESS CONDUCT AND ETHICS

To
The Board of Directors,
Davangere Sugar Company Limited
Registered Office: Davangere – 577004
District Davangere, Karnataka State

Dear Sirs/Madam,

I do hereby certify that all the Members of the Board of Directors of the Company and the Senior Management Personnel have affirmed their compliance with the Code of Conduct laid down by the Board of Directors of the Company in their Meeting held on 23-10-2020.

This certificate is being given in compliance with the requirement of Regulation 34(3) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Dated: 30-08-2021
Place: Davangere

S.S. Ganesh
Managing Director
DIN 00451383

CEO AND CFO CERTIFICATION

To,
The Board of Directors,
Davangere Sugar Company Limited

We hereby certify that :

- a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2021 and that to the best of our knowledge and belief :
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal and violating 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 propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the audit committee
 - i. Significant changes in internal control over financial reporting during the year.
 - ii. Significant changes in accounting policies, if any during the year and that the same have been disclosed in the notes to the financial statements, and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Davangere
Date : 30-08-2021

S S Ganesh
Managing Director
DIN: 00451383

Arun Kumar N M
Chief Financial Officer



ANNEXURE - V
**THE DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2021 is given below and forms part of Board's Report.

A. Conservation of energy :

- 1) The steps taken or impact on conservation of energy; The Company is continuously working on conservation of energy through innovative measures and has taken following steps towards the same:
 - a. Replacement of old and in-efficient motors and panels to improve efficiency of equipment.
 - b. Water circulation arrangement has been done to reduce ground water consumption. Water recycle system has been modified. The same will reduce ground water consumption significantly.
- 2) The steps taken by the company for utilising alternate sources of energy;
The Company has installed Multi Effect Evaporator sets in distillery units to concentrate spent wash (waste of distillery). It is being used as fuel in especially designed slop boilers (incinerators), which will save environment from pollutants.
- 3) The capital investment on energy conservation equipment: Rs Nil

B. Technology Absorption :

- 1) The efforts made towards technology absorption: Expansion and Modernisation of process house with FFE Technology and adoption of German model VKT technology.
- 2) The benefits derived like product improvement, cost reduction, product development or import substitution:
Increase in productivity, product quality and reduction in steam consumption.
- 3) In case of imported technology: The Company has not imported any technology.
- 4) The expenditure incurred on Research and Development:
The Company has not incurred towards Research and Development.

C. Foreign Exchange Earnings and Outgo :

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

| Particulars | Current year | Previous Year |
|---|--------------|---------------|
| Export and foreign exchange Earnings | Nil | Nil |
| Imports and expenditure in foreign currency | Nil | Nil |

During the year 2020-21 company has exported sugar quantity of 2778.74 qtls under MAEQ quota allotted by the central Government, exports were made through merchant exporter M/s. Sri Dutt India Pvt Ltd, Mumbai. Further, Molasses has been exported to the extent of 7443.33 Mts through the merchant exporters M/s. Imcola Exports Ltd, Karwar and M/s. Mysore Mercantile Co. Ltd., Bengaluru. These exports realisation has been received in Indian currency for sugar Rs. 21,72,41,860 and Molasses Rs. 9,36,31,479, as such no foreign exchange earnings is there.

Date: August 30, 2021

Place: Davangere

Registered Office
73/1, Post Box No.312,
Shamanur Road, Davangere.
KA:- 577004.

By Order of the Board
For Davangere Sugar Company Limited

Sd/-
S S Ganesh
Managing Director
DIN: 00451383



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Davangere Sugar Company Limited.
Davangere 577004 Karnataka

1. This certificate is issued in accordance with the terms of our engagement letter with Davangere Sugar Company Limited (the "Company").
2. We, DGMS & Co., Chartered Accountants, the Statutory Auditors of the Company, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

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

AUDITOR'S RESPONSIBILITY

4. 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.
5. 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.
6. 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 issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2021.
9. We 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.

RESTRICTION ON USE

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For D G M S & Co
Chartered Accountants
Firm Reg No 112187W

CA. Shashank P Doshi
Partner
Membership No 108456

Date : 30-08-2021
Place : Davangere



ANNEXURE - I

CORPORATE GOVERNANCE

A. MANDATORY REQUIREMENTS

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company has implemented and continuously tries to improve the Corporate Governance Practices with an attempt to meet stakeholders' expectations and Company's societal commitments through high standards of ethics, sound business decisions, prudent financial management practices, professionalism in decision making and conducting the business and finally with strict compliance of regulatory guidelines on Corporate Governance with transparency, honesty, efficiency, complete and timely disclosure and sustained enhancement of shareholders value.

1. Board of Directors

(a) Composition

As at the end of the year 31st March 2021 the Board of Directors had five members comprising of one Managing Director, one Executive Director and one Non-Executive Directors and two Independent Directors.

(b) During the Financial Year 2020-21 twenty Board Meetings were conducted. The details of attendance of each Director at the Board Meetings during the Financial Year 2020-21 is given below.

| Name of Director | Category of Directorship | No. of Meetings attended | % of total Meetings during the tenure as a Director | Relationship |
|---|--------------------------|--------------------------|---|--------------|
| 1. Sri S.S.Ganesh | M D | 20 | 100% | - |
| 2. Sri Abhijith Ganesh Shamanur | E.D. | 20 | 100% | Son of M.D. |
| 3. Smt. Rekha Ganesh | N E D | 18 | 90% | Wife of M.D. |
| 4. Sri Tumbegere Rudrappa | I D | 15 | 75% | - |
| 5. Sri Thappagondanahalli Rajashekharappa | I D | 15 | 75% | - |

M D – Managing Director, ED - EXECUTIVE DIRECTOR, N E D – Non Executive Director, I D – Independent Director.

(c) Number of other Companies or Committees in which is a Director/Chairman

| Name of Director | No. of other companies in which Director (including alternate/nominee Director) | No. of committees (other than Davangere Sugar Co., Ltd) in which Member |
|---|---|---|
| 1. Sri S.S.Ganesh | 5 | NIL |
| 2. Sri Abhijith Ganesh Shamanur | 1 | NIL |
| 3. Smt. Rekha Ganesh | NIL | NIL |
| 4. Sri Tumbegere Rudrappa | NIL | NIL |
| 5. Sri Thappagondanahalli Rajashekharappa | NIL | NIL |

**(d) Skills/Expertise/Competence of Board of Directors :**

In order to ensure effective functioning of the Company, the Board requires specialized knowledge, experience and expertise in the areas such as :

Nomination and Remuneration Committee while considering of appointment of any person as Director ensure that he possess the skills as required for the efficient functioning of the Company and all other qualifications as prescribed under Listing Regulations and the Act and also such other skills, positive attributes etc. which may be fruitful in enhancing the growth of Company, which is then recommended to Board for their approval..

| Name of the director | Sugar Industry experience | Business Operations & Mgmt | Information Technology | Business Development & Strategy | Human Resource Management | Risk Management | Finance & Accounts | Corporate Governance, Ethics | Legal Expertise |
|---------------------------|---------------------------|----------------------------|------------------------|---------------------------------|---------------------------|-----------------|--------------------|------------------------------|-----------------|
| Shri. S S Ganesh | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Smt. Rekha Ganesh | ✓ | ✓ | - | ✓ | ✓ | - | - | ✓ | - |
| Shri. Abhijith G Shamanur | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Shri. T Rudrappa | ✓ | ✓ | - | ✓ | ✓ | ✓ | - | - | - |
| Shri. T Rajashekrappa | ✓ | ✓ | - | ✓ | - | - | ✓ | - | ✓ |

REMUNERATION OF DIRECTORS

| Sl.No. | Name of the Director | Designation | Amount |
|--------|--------------------------|--------------------|---------------|
| 1 | S S Ganesh | Managing Director | Rs. 36,00,000 |
| 2 | Abhijith Ganesh Shamanur | Executive Director | Rs. 19,44,000 |

(e) Number of Board Meetings held and the dates of the Board Meeting :

20 (Twenty) Board meetings were held during the financial year ended 31st March 2021. The dates on which the said meetings were held are given below :

| Sl.No. | Date of Board meeting | Sl.No. | Date of Board meeting |
|--------|-----------------------|--------|-----------------------|
| 1. | 04-04-2020 | 11. | 28-10-2020 |
| 2. | 05-05-2020 | 12. | 23-12-2020 |
| 3. | 25-05-2020 | 13. | 30-12-2020 |
| 4. | 06-06-2020 | 14. | 14-01-2021 |
| 5. | 04-07-2019 | 15. | 13-12-2019 |
| 6. | 30-05-2020 | 16. | 08-03-2021 |
| 7. | 25-08-2020 | 17. | 15-03-2021 |
| 8. | 04-09-2020 | 18. | 23-03-2021 |
| 9. | 08-09-2020 | 19. | 24-03-2021 |
| 10. | 23-10-2020 | 20. | 31-03-2021 |

**2 Audit Committee :****(a) Terms of Reference**

- ♦ the recommendation for appointment, remuneration and terms of appointment of auditors of the company ;
- ♦ review and monitor the auditor's independence and performance, and effectiveness of audit process ;
- ♦ examination of the financial statement and the auditors' report thereon ;
- ♦ approval or any subsequent modification of transactions of the company with related parties ;
- ♦ scrutiny of inter-corporate loans and investments ;
- ♦ valuation of undertakings or assets of the company, wherever it is necessary ;
- ♦ evaluation of internal financial controls and risk management systems ;
- ♦ monitoring the end use of funds raised through public offers and related matters.

(b) Composition, names of members and Chairperson

Audit Committee was constituted with Two Executive Director and two Independent Directors, the compliance officer acts as secretary of the Committee.

| Sl.No. | Name of the Director | Position | esignation |
|--------|--|----------|----------------------|
| 1 | Sri Tumbegere Rudrappa | Chairman | Independent Director |
| 2 | Sri Abhijith Ganesh Shamanur | Member | Executive Director |
| 3 | Sri Thappagondanahalli Rajashekharappa | Member | Independent Director |

(c) Meetings and Attendance during the year

Four meetings were held during the financial year ended 31st March, 2021.

| Sl.No. | Name of the Director | Number of Meetings attended |
|--------|------------------------|-----------------------------|
| 1 | Sri S.S. Ganesh | 4 |
| 2 | Smt. Rekha Ganesh | 4 |
| 3 | Sri K.V. Somashekar | 4 |
| 4 | Sri Tumbegere Rudrappa | 4 |

4. Cost Audit Committee :

The Cost Audit Committee is consisting of Mr Krishna Murthy, Bangalore, who have been appointed as our Company Cost Auditors under section 148(3) of the Companies Act, 2013. The committee consists of independent directors, as the members of the committee. The meeting was held on 06TH June, 2020.

| Sl.No. | Name of the Director | Designation |
|--------|--|----------------------|
| 1 | Mr. Krishna Murthy | Cost Auditor |
| 2 | Sri Thappagondanahalli Rajashekharappa | Independent Director |
| 3 | Sri Tumbegere Rudrappa | Independent Director |

**(a) Terms of Reference:**

- (i) to facilitate carryout of the cost audit of accounting records of our company, in terms of Companies Act, 2013
- (ii) to identify the costs to the extent possible cost centre wise.
- (iii) to guide the management on significant variations in the costs of a cost centre year on year basis.

The cost audit of our Company for the Financial Year 2020-21 is under progress.

5. Nomination and Remuneration Committee**(a) Terms of Reference**

- The Remuneration Committee recommends on remuneration package including pension rights and any compensation payment of the Managing Director to the Board for approval.
- to formulate criteria for determining qualifications, positive attributes and independence of a director.
- to recommend the Board a policy, relating to the remuneration of the Directors, Key Managerial personnel and other employees;
- to formulate the criteria for evaluation of Independent Directors and the Board;
- to devise a policy on Board diversity;
- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal, etc.

(b) Composition, names of members and Chairperson

The Remuneration Committee was constituted with one Managing Directors and two Independent Director namely,

| Sl. No | Name of the Director | Position | Designation |
|--------|--|----------|------------------------|
| 1 | Sri Thappagondanahalli Rajashekharappa | Chairman | Independent Director |
| 2 | Smt. Rekha Ganesh | Member | Non-Executive Director |
| 3 | Sri Tumbegere Rudrappa | Member | Independent Director |

(c) Meeting and Attendance

During the year Committee has met two times

| Sl.No. | Name of the Director | Number of Meetings attended |
|--------|--|-----------------------------|
| 1 | Sri Thappagondanahalli Rajashekharappa | 2 |
| 2 | Sri Shamanur Shivashkarappa Ganesh | 2 |
| 3 | Sri Tumbegere Rudrappa | 2 |

d) Remuneration Policy

The remuneration is being paid to the Managing Director and Executive Director, no sitting fees is paid to any Director. The Managing Director and Executive Director are paid remuneration as approved by the members in their General Body Meeting from time to time.

6. Transfer & Shareholders' / Investors' Grievance Committee (Stakeholders Relationship Committee):

Transfer & Shareholders' / Investors' Grievance Committee was constituted with one Non-Executive Director and two Independent Directors, the committee has met on 28-10-2020 during the year 2020-21.



| Sl. No | Name of the Director | Position | Designation |
|--------|---------------------------------------|----------|------------------------|
| 1 | Sri Tumbegere Rudrappa | Chairman | Independent Director |
| 2 | Smt. Rekha Ganesh | Member | Non Executive Director |
| 3 | Sri Thappagondanahalli Rajashekarappa | Member | Independent Director |

| Sl. No | Particulars | Remarks |
|--------|--|----------------|
| 1 | Name & Designation of the Compliance Officer | Smt. Pooja M M |
| 2 | Number of Shareholders complaints received during the financial year | Nil |
| 3 | Number of complaints not solved to the satisfaction of shareholders | Not applicable |
| 4 | Number of pending share transfers | Nil |

7. Committee of Corporate Social Responsibility :

(a) Terms of Reference :

1. Formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the company as specified in schedule VII of the Companies Act, 2013.
2. Recommend the amount of expenditure to be incurred on the activities referred in schedule VII of the Companies Act, 2013.
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

Corporate Social Responsibility Committee has met on 08-09-2020

| Sl.No. | Name of the Director | Position | Designation |
|--------|---------------------------------------|----------|------------------------|
| 1 | Sri Thappagondanahalli Rajashekarappa | Chairman | Independent Director |
| 2 | Smt. Rekha Ganesh | Member | Non-Executive Director |
| 3 | Sri Tumbegere Rudrappa | Member | Independent Director |

8. General Body Meetings

(a) Location and time where last three AGMs were held

| | Location | Date | Time |
|------|---|------------|------------|
| i) | Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere | 30.09.2020 | 11.00 A.M |
| ii) | Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere | 29.09.2019 | 11.00 A.M. |
| iii) | Thogataveera Samudhaya Bhavana, M.C.C. 'A' Block, Davangere | 21.09.2018 | 10.45 A.M. |

- (b) Whether Special Resolutions were put through Postal Ballot last year No
- (c) Persons who conducted the Postal Ballot exercise Not applicable



- (d) Are Polls proposed to be conducted through Postal Ballot this year. No
- (e) Procedure for Postal Ballot Not applicable

9. Disclosure

| | |
|--|------|
| (a) Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of Company at large | None |
| (b) Details of non-compliances by the company, Penalties, Strictures imposed on the Company by such Exchange or SEBI or any statutory authority, or any matter related to capital products, during last three years | None |

10. General Shareholder Information

| Sl.No. | Particulars | Remarks |
|--------|---|--|
| a | AGM Date and Venue Time | 29-09-2021 |
| b | Date of Book closure | 23-09-2021 to 29-09-2021 |
| c | Divedend payment date | NA |
| d | i) Stock Code ii) Demat ISIN Number for NSDL&CDSL | ISIN179G01011 |
| e | Market price data High/Low during each month in the last financial year | Not traded through Stock Exchange |
| F | Stock performance in comparison to broad based indices such as BSE Senses, BSE 2000, Nifty. | Not applicable |
| g | Registrar and Transfer Agents | M/s. Integrated Registry Management Services Pvt. Ltd, No. 30, Ramana residency, 4 th Cross, Sampige Road, Malleswaram, BANGALORE – 560 00 |
| h | Share Transfer System | M/s Integrated Registry Management Services Pvt. Ltd, has been authorized to approve the transfer of shares which is done. The said transfers are then reported to the subsequent Board Meeting. |
| i) | De-materialization of shares and liquidity | Shareholders may dematerialize their hareholding by anyone of the Depositories namely NSDL and CDSL |



| | |
|--|--|
| j) Outstanding GDRs/ADRs/Warrants or any convertible instruments. | The company has not issued any GDRs/ADRs/Warrants or any convertible instruments. |
| k) Plant Locations : | Sugar Unit & Co-generation Unit Kukkuwada Village, Davangere taluk & District, Karnataka State – 577 525 |
| l) Address for Correspondence | Secretary, Davangere Sugar Co. Ltd, Kukkuwada Village, Davangere taluk & District, Karnataka State- 577 525 |

Familiarization Program :

In terms of Regulation 25 of the Listing Regulations, the Company is required to conduct various program for the Independent Directors of the Company to familiarize them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The details of such program for familiarization of the Independent Directors are put on the website of the Company at the following web-link: <https://www.davangeresugar.com/pdf/2021/Familiarisation-Programme-for-Independent-Directors.pdf>

MARKET PRICE DATA

Company shares are listed in BSE Ltd as on 19-03-2021

Monthly high/low of market price of the Company's equity shares traded on the Bombay Stock Exchange Ltd. (BSE) during the last financial year was as under:

| Month | BSE | | |
|--------|-------|-------|--------------|
| | High | Low | Total Volume |
| Mar-21 | Rs | Rs | Qty No |
| | 14.70 | 14.00 | 100.00 |

Distribution of Shareholding as on 31st March, 2021 :

| Shares holding | Share holders | | Shares | |
|-----------------|---------------|---------------|-----------------|---------------|
| | Number | % to Total | | % to Total |
| (1) | (2) | (3) | (4) | (5) |
| Upto 500 | 9950 | 97.34 | 949820 | 1.71 |
| 501 - 1000 | 91 | 0.89 | 64555 | 0.12 |
| 1001 - 2000 | 52 | 0.51 | 85131 | 0.15 |
| 2001 - 3000 | 57 | 0.56 | 148059 | 0.27 |
| 3001 - 4000 | 19 | 0.19 | 74000 | 0.13 |
| 4001 - 5000 | 24 | 0.23 | 118750 | 0.21 |
| 5001 - 10000 | 9 | 0.09 | 65800 | 0.12 |
| 10001 and above | 20 | 0.20 | 54178347 | 97.30 |
| Total | 10222 | 100.00 | 55684462 | 100.00 |



Share holding pattern of the company as on 31-03-2021

| Particulars | Percentage |
|---------------------------------------|---------------|
| Promoters & Persons acting in concert | 74.07 |
| Public share holders | 25.93 |
| Total | 100.00 |

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.

SUBSIDIARY COMPANIES :

The Company presently do not have any subsidiary in terms of provisions of Companies Act, 2013 and therefore corresponding disclosures have not been made.

TRANSACTIONS DURING THE PERIOD :

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 or others are on an arm's length basis. The Company does not have any material related party transactions. The policy on dealing with related party transaction can be viewed at <https://www.davangeresugar.com/Related-Party-Transactions-Policy-1.pdf>.

VIGIL MECHANISM :

The company has established a whistle blower mechanism to provide an avenue to raise concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The mechanism provides for adequate safeguards against victimization of directors / employees / customers who avail of the mechanism. No complaints were received under this policy during the year. The policy is available on the Company's website at <https://www.davangeresugar.com/pdf/Whistle-Blower-Policy.pdf>

CODES AND POLICIES WEBLINK :

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given on the website of the company on weblink: <https://www.davangeresugar.com/policies.html>

INSIDER TRADING :

The Company has adopted new Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in line with amended SEBI (Prohibition of Insider Trading) Regulations, 2018 wherein some new requirements are brought in and the companies are required to revise its existing code of conduct on prohibition of Insiders Trading by a new set of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPS). The Company Secretary is responsible for the implementation of the code. All Board of Directors, designated employees and connected persons have been informed about the new policy and has affirmed compliance with the code. https://www.davangeresugar.com/pdf/prohibition_of_insider_trading.pdf

CERTIFICATE FROM PRACTISING COMPANY SECRETARY FOR NON-DISQUALIFICATION OF DIRECTORS:

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

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 :

Details relating to fees paid to the Statutory Auditors are given in Note 31 to the Audited Financial Statements of the Company.



DISCLOSURE IN RELATION TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirement of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), your Company has a robust mechanism in place to redress complaints reported under it. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under POSH. The Internal Committee (IC) is composed of internal members and an external member who has extensive experience in the field. All employees (permanent, contract, temporary, trainees) are covered under this policy. The policy is gender neutral. Status of complaints during the year under review is as follows:

No. of complaints filed during the financial year: NIL

No. of complaints disposed of during the financial year: NIL

No. of complaints pending as on end of the financial year: NIL

EQUITY SHARES IN SUSPENSE ACCOUNT

10821336 Bonus shares of the Company are lying in Demat Equity Suspense Account for those public share holders who has not Dematerialized their equity shares.

Means of Communication :

Quarterly Results : The Company's quarterly results as prescribed by the Stock Exchanges pursuant to Regulation 33, 47 of the Listing Regulations are approved and taken on record by the Board within the prescribed time frame, and sent forthwith to all Stock Exchanges on which the Company's shares are listed. These results are being published in leading newspapers.

Dematerialisation of Shares :

The Company has signed an agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As intimated by SEBI, trading in the shares of the company is compulsorily to be in the dematerialised form for all the investors. As on 31st March, 2021, 99.86% of the total shares of the Company have been dematerialised.

Shareholders rights :

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

Modified Opinion in Auditors Report :

The Company's financial statement for the year ended 31st March, 2021 are unqualified.

Reporting of Internal Auditor :

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

PLACE : DAVANGERE

DATED : 30.08.2021

**Registered Office
73/1, Post Box No.312,
Shamanur Road, Davangere.
KA:- 577004.**

**By the order of the Board
For Davangere Sugar Company Ltd
S.S. Ganesh,
Managing Director
DIN: 00451383**



ANNEXURE - II
Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS :

- i) CIN: - U01115KA1970PLC001949
ii) Registration Date: 28/09/1970
iii) Name of the Company: DAVANGERE SUGAR COMPANY LIMITED
iv) Category / Sub-Category of the Company: Indian Non-Government Company
v) Address of the registered office and contact details: 73/1, Post box No. 312,
Shamanur Road, Davangere-577004
vi) Whether listed company Yes / No : Yes
i) Name, Address and Contact details of Registrar and Transfer Agent, if any :
M/s. Integrated Enterprises (India) Ltd., Ramana Residency, Sampige Road,
Malleswaram, BENGALURU

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

| SN | Name and Description of main Product/service | NIC Code of the Product/service | % to total turnover of the company |
|----|--|---------------------------------|------------------------------------|
| 1 | Sugar | 1701 | 68.91% |
| 2 | Power | 1703 | 10.17% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES
[No. of Companies for which information is being filled]-None

| S. NO | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY / ASSOCIATE |
|-------|---------------------------------|---------|---------------------------------|
| | NIL | NIL | NIL |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31 March 2020] | | | | No. of Shares held at the end of the year [As on 31 March 2021] | | | | % Change during the year |
|--------------------------|--|----------|----------|-------------------|--|----------|----------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| Indian | | | | | | | | | |
| a) Individuals | 31231576 | 1626653 | 32858229 | 59.00 | 31231576 | 1626653 | 32858229 | 59.00 | Nil |
| b) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| d) Bodies Corp. | - | 8000000 | 8000000 | 14.37 | 8000000 | - | 8000000 | 14.37 | Nil |



| | | | | | | | | | |
|--|-----------------|----------------|-----------------|--------------|-----------------|----------------|-----------------|--------------|------------|
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| f) Any other Body Corporate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| Sub Total(A) (1) | 39231576 | 1626653 | 40858229 | 73.37 | 39231576 | 1626653 | 40858229 | 73.37 | Nil |
| 2) Foreign | | | | | | | | | |
| a) Individual | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| b) Other Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| e) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| Sub Total(A) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| Total Share holding of Promoters (A=(A)(1)+ (A)(2)) | 31231576 | 9626653 | 40858229 | 73.37 | 39231576 | 1626653 | 40858229 | 73.37 | Nil |
| (B) Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| b) Bank/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| c) Centra Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| d) State Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| g) FII | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| h) Foregin Venture Capital | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| i) Others (Specity) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| Sub Total (B)(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| 2. Non Institutions | | | | | | | | | |
| a) Body Corporate | | | | | | | | | |
| i) Indian | 600 | 96451 | 97051 | 0.17 | 600 | 96451 | 97051 | 0.17 | Nil |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |



| b) Individuals | | | | | | | | | |
|---|--|---|----------------------------------|--|--------------------------------------|----------------------------------|--|---|------------|
| i) Individuals Shareholder holding nominal share capital upto Rs. 2 Lakh | 8292 | 5584578 | 5592870 | 10.04 | 8292 | 5584578 | 5592870 | 10.04 | Nil |
| ii)) Individuals Shareholder holding nominal share capital in excess of Rs. 2 Lakh | 0 | 1129712 | 1129712 | 2.03 | 0 | 1129712 | 1129712 | 2.03 | Nil |
| c) Others NRI | 2001650 | 6004950 | 8006600 | 14.39 | 2001650 | 6004950 | 8006600 | 14.39 | Nil |
| Sub total (B)(2) | 2010542 | 12815691 | 14826233 | 26.63 | 2010542 | 12815691 | 14826233 | 26.63 | Nil |
| Total Public Shareholding (B)-(B)(1)+(B)(2) | 2010542 | 12815691 | 14826233 | 26.63 | 2010542 | 12815691 | 14826233 | 26.63 | Nil |
| C Shares held by Custodian for GDRS & ADRS | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| Grand Total A+B+C | 41242118 | 14442344 | 55684462 | 100 | 41242118 | 14442344 | 55684462 | 100 | Nil |
| B) Shareholding of Promoters :- | | | | | | | | | |
| SN | Shareholder's Name Shriyuts | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in share holding during the year | |
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | | |
| 1. | S. Shivashankarappa | 1626653 | 2.92 | No | 1626653 | 2.92 | No | Nil | |
| 2. | S. S. Ganesh | 15522478 | 27.87 | No | 15522478 | 27.87 | No | Nil | |
| 3. | Rekha S Ganesh | 6086200 | 10.93 | No | 6086200 | 10.93 | No | Nil | |
| 4. | AbhijitG Shamanur | 6914724 | 12.42 | No | 6914724 | 12.42 | No | Nil | |
| 5. | S. S. Mallikarjun | 208174 | 0.09 | No | 208174 | 0.09 | No | Nil | |
| C) Change in Promoters' Shareholding (please specify, if there is no change): No change | | | | | | | | | |
| D) Shareholding Pattern of top ten Shareholders : (other than Directors, Promoters and Holders of GDRs and ADRs) : | | | | | | | | | |
| SN | For Each of the Top 10 Shareholders Shriyuts | Shareholding at the beginning of the year | | Cumulative Shareholding end of the year | | | | | |
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company | | | | |
| 1. | B.R. Shetty | 80,06,600 | 14.38% | 80,06,600 | 14.38% | | | | |



E) Shareholding of Directors and Key Managerial Personnel :

| SN | Shareholding of each Directors and each Key Managerial Personnel Shriyuts | Shareholding at the beginning of the year | | Cumulative Shareholding end of the year | |
|------------------------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | S S Ganesh | 15522478 | 27.87 | 15522478 | 27.87 |
| | At the beginning of the year | No changes during the year. | | | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| At the end of the year | 15522478 | 27.87 | 15522478 | 27.87 | |
| 2 | Rekha S Ganesh | 6086200 | 10.93 | 6086200 | 10.93 |
| | At the beginning of the year | No changes during the year. | | | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| At the end of the year | 6086200 | 10.93 | 6086200 | 10.93 | |
| 3 | Abhijit G Shamanur | 6914724 | 12.42 | 6914724 | 12.42 |
| | At the beginning of the year | No changes during the year. | | | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| At the end of the year | 6914724 | 12.42 | 6914724 | 12.42 | |
| 4 | K V Somashekar | 1000 | 0.0022 | 1000 | 0.0022 |
| | At the beginning of the year | No changes during the year. | | | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | | | | |
| At the end of the year | 1000 | 0.0022 | 1000 | 0.0022 | |



V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding / accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|--------------|-----------------------|
| Indebtedness at the begining of the financial year 01.04.2020 | Rs. in lakhs | Rs. in lakhs | Rs. in lakhs | Rs. in lakhs |
| i) Principal Amount (Term loan and working capital) | 11645.86 | 2248.28 | Nil | 13894.14 |
| ii) Interest due but not paid | 102.85 | Nil | Nil | 102.85 |
| iii) Interest accrued but not due | Nil | Nil | Nil | Nil |
| Total (i+ii+iii) | 11748.71 | 2248.28 | | 13996.99 |
| Change in Indebtedness during the Financial Year | | | | |
| * Addition | 1510.32 | 501.53 | Nil | 2011.85 |
| * Reduction | Nil | Nil | Nil | Nil |
| Net Change | 1510.32 | 501.53 | Nil | 2011.85 |
| Indebtedness at the end of the financial year 31.03.2021 | | | | |
| i) Principal Amount | 13197.6 | 2749.81 | Nil | 15947.41 |
| ii) Interest due but not paid | 61.43 | Nil | Nil | 61.43 |
| iii) Interest accrued but not due | Nil | Nil | Nil | Nil |
| Total (i+ii+iii) | 13259.03 | 2749.81 | Nil | 16008.84 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

| SN. | Particulars of Remuneration | Name of MD/ED | | Total Amount |
|-----|---|-------------------|------------------------|-------------------|
| | | Sri S S Ganesh | Sri Abhijit G Shamanur | |
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 36,00,000 | 19,44,000 | 55,44,000 |
| 2 | Stock Option | None | None | Nil |
| 3 | Sweat Equity | None | None | Nil |
| 4 | Commission - as % of profit - others, specify... | Nil | Nil | Nil |
| 5 | Others, please specify | Nil | Nil | Nil |
| | Total (A) | 36,00,000 | 19,44,000 | 55,44,000 |
| | Ceiling as per the Act | 10% of Net Profit | 10% of Net Profit | 11% of Net Profit |



B. Remuneration to other directors:- No Remuneration to Other Directors

| SN. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|-----|---|-------------------|-----|-----|--------------|
| | | | | | |
| 1 | Independent Directors | Nil | Nil | Nil | Nil |
| | Fee for attending board committee meetings | Nil | Nil | Nil | Nil |
| | Commission | Nil | Nil | Nil | Nil |
| | Others, please specify | Nil | Nil | Nil | Nil |
| | Total (1) | Nil | Nil | Nil | Nil |
| 2 | Other Non-Executive Directors | | | | |
| | Fees for attending board committee meetings | Nil | Nil | Nil | Nil |
| | Commission | Nil | Nil | Nil | Nil |
| | Others, please specify | Nil | Nil | Nil | Nil |
| | Total (2) | Nil | Nil | Nil | Nil |
| | Total (B)=(1+2) | Nil | Nil | Nil | Nil |
| | Total Managerial Remuneration | Nil | Nil | Nil | Nil |
| | Overall Ceiling as per the Act | Nil | Nil | Nil | Nil |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| SN. | Particulars of Remuneration | Key Managerial Personnel | | |
|-----|---|--|------------------------------|--------------|
| | | Smt. Pooja M.M. (Company Secretary) | Mr. Arun Kumar N.M. (CFO) | Total Amount |
| 1 | Gross salary | 1,61,328 | 13,29,354 | 14,90,682 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Nil | Nil | Nil |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | Nil | Nil | Nil |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | Nil | Nil | Nil |
| 2 | Stock Option | None | None | Nil |
| 3 | Sweat Equity | None | None | Nil |
| 4 | Commission | Nil | Nil | Nil |
| | - as % of profit | Nil | Nil | Nil |
| | - others, specify... | Nil | Nil | Nil |
| 5 | Others, please specify | Nil | Nil | Nil |
| | Total | 1,61,328 | 13,29,354 | 14,90,682 |

**VII. Penalties / Punishment/ Compounding of Offences :**

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made,if any (give Details) |
|---|------------------------------|-------------------|---|------------------------------|-----------------------------------|
| A. COMPANY Penalty Punishment Compounding | | | NONE | | |
| B. DIRECTORS Penalty Punishment Compounding | | | NONE | | |
| C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding | | | NONE | | |

PLACE : DAVANGERE
DATED : 30.08.2021
Registered Office
73/1, Post Box No.312,
Shamanur Road, Davangere.
KA:- 577004.

By the order of the Board
for Davangere sugar company limited

Sd/-
S. S. Ganesh
Managing Director
DIN: 00451383



ANNEXURE - III
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,
The Members,
Davangere Sugar Company Ltd
73/1, Post Box No.312, Shamanur Road,
Davangere, Karnataka – 577004

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Davangere Sugar Company Ltd (CIN: U37100KA1970PLC001949)** (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Davangere Sugar Company Ltd** 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 the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Davangere Sugar Company Ltd for the financial year ended on 31st March, 2021 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :

Note: The Company was listed on Bangalore Stock Exchange Limited, which got de-recognised on November 24, 2014, and the Company was not listed on any stock exchange thereafter, however the Company became listed on BSE Limited w.e.f March 19, 2021 thus the compliance with Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were applicable only during the period from March 19, 2021 upto 31st March, 2021.



- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **Not Applicable**

OTHER APPLICABLE LAWS:

With respect to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable to the Company:

1. Income Tax Act, 1961 to the extent of Tax Deducted at Source under various Section and T.D.S. Returns filed.
2. Indirect Tax Laws relating to collections, deductions, wherever applicable, payments made and returns filed.
3. The Sugar Cess Act, 1982
4. Food Safety and Standards Act, 2006
5. Essential Commodities Act, 1955
6. Sugar Development Fund Act, 1982
7. Prevention of Food Adulteration Act, 1954
8. Air (Prevention and Control of Pollution) Act, 1981
9. Water (Prevention and Control of Pollution) Act, 1974

We have relied on the representations made by the Company, its officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

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

- (i) Secretarial Standards as issued and implemented by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 (for the period from March 19, 2021 upto 31st March, 2021).

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

We further report that :

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes



in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 unanimously and is recorded in the minutes.

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

We further report that during the audit period:

1. The Company has made an application to BSE Limited for Direct Listing of 55,684,462 Equity Shares of Rs. 10/- each and the same has been approved w.e.f March 19, 2021.
2. The Company has failed to file the reporting / disclosure with Reserve Bank of India for bonus shares allotted to Non Resident shareholder for the financial year 2018-19.
3. Wherever there is delay in filing of Forms / returns with Registrar of Companies, for which necessary additional fees was paid by the Company.

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

For Amit R. Dadheech & Associates

SD/-

Amit R. Dadheech

M. No.: 22889; **C.P. No.:** 8952

UDIN: A022889C000820741

Date: 23/08/2021

PLACE : DAVANGERE

DATED : 30.08.2021

Registered Office

73/1, Post Box No.312,

Shamanur Road, Davangere.

KA:- 577004.



ANNEXURE - A

To,
The Members,
Davangere Sugar Company Ltd
73/1, Post Box No.312, Shamanur Road,
Davangere, Karnataka – 577004

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

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

For Amit R. Dadheech & Associates

SD/-

Amit R. Dadheech

M. No.: 22889; C.P. No.: 8952

UDIN: A022889C000820741

Date : 23/08/2021



D G M S & Co.
Chartered Accountants

Office No 10, Vihang Vihar,
Opp Gautam Park Building,
Panchpakhadi,
Thane (West) 400602 Maharashtra

INDEPENDENT AUDITORS' REPORT

To,
The Members of the Davangere Sugar Company Limited,
Report on the Audit of the Standalone Indian Accounting Standards ("Ind AS") Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Davangere Sugar Company Ltd., (the Company), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, the Statement of Cash flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2021, its profits and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.

| Sr No | Key Audit Matters | Auditor's response |
|--------------|---|--|
| | <p>Determination of net realizable value of inventory of sugar as at the year ended March 31, 2021</p> <p>As on March 31, 2021, the Company has inventory of sugar with the carrying value 32,95,43,760 lakh. The inventory of sugar is valued at the lower of cost and net realizable value.</p> <p>We considered the value of the inventory of sugar as a key audit matter given the relative size of the balance in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, fluctuation in selling prices and the related notifications of the Government in determination of net realizable value.</p> | <p>Principal Audit Procedures</p> <p>We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory of sugar.</p> <p>We considered various factors including the actual selling price prevailing around and subsequent to the year-end minimum selling price & monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industry as a whole.</p> <p>Based on the above procedures performed, the management's determination of the net realizable value of the inventory of sugar as at the year end and comparison with cost for valuation of inventory, is considered to be reasonable.</p> |



Management’s and Board of Directors’ Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company’s Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company’s financial reporting process

Auditor’s Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results 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 annual financial results.

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 annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 appropriateness of this assumption. 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 annual financial results 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 annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(3) of the Act, we give in "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - (e) On the basis of the written representation received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to the standalone Ind As financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and With respect to the other matters to be included in the Independent Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended

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



- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations as at 31st March, 2021 on its financial position on its standalone Ind AS financial statements – Refer note 32 to the standalone Ind AS 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date : 17-08-2021
Place : Davangere

For D G M S & Co
Chartered Accountants
Firm M.No: 0112187W
UDIN : A022889C000820741

“Annexure A” referred to in our Independent Auditors' Report to the Members of **Davangere Sugar Company Limited (“the Company”)** on the standalone Ind AS financial statements for the year ended year ended 31st March, 2021, we report that:

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of **three years**. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii) Company has done the physical verification of inventory at reasonable intervals and in our opinion the coverage and procedure of such verification by management is commensurate with operation of the company and nature of business.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 (“the Act”). Accordingly, the provisions of clause 3 (iii) (a), (b) (c) (d) (e) & (f) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given and investments of Sections 185 and 186 of the Act are applicable.
- (v) The Company has not accepted any deposits from the public within the meaning the directives issued by the Reserve Bank of India, provisions of Section 73 and 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.
- (vi) We have broadly reviewed the books of accounts relating to the materials, labour and other items of cost maintained by the company in pursuant to rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we are neither required to carryout nor have carried out any detailed examination of such accounts and records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, value added tax, service tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited during the year by the



Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise and duty of customs.

- (b) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax and cess on account of any dispute, are as follows :

| Nature of the statute | Nature of the dues | Amount demand after netting off the amount paid under protest | Forum where dispute is pending |
|-----------------------------|---|---|--|
| The customs Act 1944 | Customs duty demanded on import | Rs 77,04,571 | Supreme court |
| The customs Act 1944 | Customs duty demanded on import | Rs 1,22,30,424 | CESTAT Bengaluru |
| The Central Excise Act 1944 | Dis allowance of CENVAT credit on various items | Rs 2,07,18,766 | Appeal before Commissioner of Customs and Central Excise Bengaluru |
| The customs Act 1944 | Customs duty demanded on import | Rs 2,07,11,917 entire amount is paid under protest | Appeal before Chief Commissioner of Custom New Delhi |

- (viii) According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted in repayments of its dues to banks. The Company has not taken any loan from debenture holders, government and financial Institution.
- (ix) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans raised during the year have been applied for the purpose for which they been raised.
- (x) According to the information and explanations given to us, no cases of on the Company by its officers or employees or fraud by the Company has been noticed or reported during the course of our audit.
- (xii) According to the information and explanations given to us, the company has paid/ provided managerial remuneration in accordance with the requisite approvals as mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) According the information and explanations given to us, in our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order is not applicable to the company and, not commented upon.



- (xv) In our opinion and on the basis of information and explanations given to us, during the year Company has not entered into non-cash transactions with directors or persons connected to its directors and hence the provisions of section 192 of Act are not applicable to the Company.
- (xvi) In our opinion and on the basis of information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of

Date : 17-08-2021
Place : Davangere

For D G M S & Co
Chartered Accountants
Firm M.No: 0112187W
UDIN : A022889C000820741

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of the Davangere Sugar Company Ltd.,

Report on the Internal Financial Controls under Clause (i) of Sub-Section 143 of the Companies Act, 2013(“ the Act”).

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Davangere Sugar Company Limited (“the Company”) as of 31st March, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements of the Company, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed



risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient to provide a basis for our audit opinion on the Company's internal financial control system with reference to standalone Ind AS financial statements.

Meaning of Internal Controls with reference to standalone Ind AS Financial Statements

A Company's internal control with reference to standalone Ind AS financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone Ind AS financial statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at 31st March, 2021, based on the internal control with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Date : 17-08-2021
Place : Davangere

For D G M S & Co
Chartered Accountants
Firm M.No: 0112187W
UDIN : A022889C000820741



31-03-2021 ರ ಅಂತ್ಯಕ್ಕೆ ಇದ್ದಂತೆ ಆಸ್ತಿ ಮತ್ತು ಹೊಣೆ ತಃಖ್ತೆ
BALANCE SHEET AS AT 31.03.2021

| All Figures in Rs. | | | | |
|---|---------------------|--|--|--|
| ವಿವರ Particulars | ಅನುಸೂಚಿ Note No. | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ As At 01.04.2019 |
| 1. ಆಸ್ತಿಗಳು ASSETS | | | | |
| A) ಚಾಲ್ತಿ ಅಲ್ಲದ ಆಸ್ತಿಗಳು NON-CURRENT ASSETS | | | | |
| a) ಆಸ್ತಿ, ಸ್ಥಾವರ ಮತ್ತು ಉಪಕರಣಗಳು Property, Plant and Equipments | 4 | 2,71,07,60,376 | 2,79,82,50,330 | 2,82,63,64,308 |
| b) ನಿರ್ಮಾಣದ ಹಂತದಲ್ಲಿರುವ ಸ್ಥಿರಾಸ್ತಿಗಳು Capital work in progress | | | | 5,45,68,280 |
| ಒಟ್ಟು ಮೊತ್ತ Total | | 2,71,07,60,376 | 2,79,82,50,330 | 2,88,09,32,587 |
| c) ಹಣಕಾಸಿನ ಆಸ್ತಿಗಳು Financial Assets | | | | |
| i) ಬಂಡವಾಳ Investments | 5 | 2,34,45,900 | 1,54,45,900 | 1,15,45,900 |
| ii) ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳು Loans and advances | 6 | - | 20,15,00,818 | - |
| d) ಇತರೆ ಚಾಲ್ತಿ ಅಲ್ಲದ ಆಸ್ತಿಗಳು Other Non Current assets: | 7 | 4,16,05,410 | 4,15,97,758 | 4,15,96,970 |
| 2. ಚಾಲ್ತಿ ಆಸ್ತಿಗಳು CURRENT ASSETS | | | | |
| ಎ) ದಾಸ್ತಾನುಗಳು Inventories | 8 | 42,41,97,871 | 47,07,60,349 | 1,01,09,35,133 |
| ಬಿ) ಹಣಕಾಸಿನ ಆಸ್ತಿಗಳು Financial Assets | | | | |
| i) ಬರಬೇಕಾದ ವ್ಯಾಪಾರದ ಬಾಕಿಗಳು Trade Receivables | 9 | 31,75,51,869 | 23,62,88,166 | 19,75,08,661 |
| ii) ನಗದು ಮತ್ತು ನಗದಿನ ಸಮಾನಾಂತರಗಳು Cash and cash equivalents | 10 | 17,03,14,777 | 6,64,82,295 | 1,03,99,920 |
| iii) ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳು Loans and advances | 11 | 69,98,53,549 | 70,92,97,095 | 62,56,00,577 |
| ಒಟ್ಟು ಮೊತ್ತ TOTAL | | 4,38,77,29,751 | 4,53,96,22,712 | 4,77,85,19,748 |

The accompanying notes are an integral part of these financial statements
As per our Audit Report of even date annexed



| All Figures in Rs. | | | | |
|---|---------------------|--|--|--|
| ವಿವರ Particulars | ಅನುಸೂಚಿ Note No. | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ As At 01.04.2019 |
| I ಈಕ್ವಿಟಿ ಮತ್ತು ಹೊಣೆಗಳು EQUITY AND LIABILITIES | | | | |
| ಎ) ಈಕ್ವಿಟಿ EQUITY | | | | |
| a) ಷೇರು ಬಂಡವಾಳ Share Capital | 12 | 55,68,44,620 | 55,68,44,620 | 55,68,44,620 |
| b) ಇತರೆ ಈಕ್ವಿಟಿ Other equity | 13 | 1,89,62,66,495 | 1,87,26,83,866 | 1,85,42,69,126 |
| | | 2,45,31,11,115 | 2,42,95,28,486 | 2,41,11,13,746 |
| ಬಿ) ಹೊಣೆಗಳು LIABILITIES | | | | |
| 1. ಚಾಲ್ತಿ ಅಲ್ಲದ ಹೊಣೆಗಳು 1) NON-CURRENT LIABILITIES | | | | |
| a) ಆರ್ಥಿಕ ಹೊಣೆಗಳು Financial Liabilities | | | | |
| i) ಸಾಲಗಳು Borrowings | 14 | 50,68,83,508 | 3,76,17,493 | 7,12,32,520 |
| ii) ಇತರೆ Other | 15 | 55,47,81,294 | 83,14,39,443 | 76,10,29,617 |
| b) ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆಗಳು Deferred Tax Liability | 16 | 1,00,48,370 | 93,55,891 | 92,48,968 |
| 2. ಚಾಲ್ತಿ ಹೊಣೆಗಳು 2) CURRENT LIABILITIES | | | | |
| a) ಆರ್ಥಿಕ ಹೊಣೆಗಳು Financial Liabilities | | | | |
| i) ಸಾಲಗಳು Borrowings | 17 | 71,41,25,335 | 1,06,75,85,117 | 1,33,79,65,652 |
| ii) ಕೊಡಬೇಕಾಗಿರುವ ವ್ಯಾಪಾರ ಬಾಕಿಗಳು Trade Payables | 18 | 9,90,001 | 2,97,50,512 | 5,42,21,812 |
| iii) ಇತರೆ ಹಣಕಾಸಿನ ಹೊಣೆಗಳು Other Financial Liabilities | 19 | 10,48,95,273 | 6,96,68,663 | 7,79,32,956 |
| a) ಇತರೆ ಚಾಲ್ತಿ ಹೊಣೆಗಳು Other Current liabilities | 20 | 3,70,14,709 | 6,03,20,496 | 4,61,04,614 |
| b) ಅಲ್ಪಾವಧಿ ಹವಣಿಕೆಗಳು Short term Provisions | 21 | 58,80,146 | 43,56,612 | 96,69,862 |
| ಒಟ್ಟು ಮೊತ್ತ TOTAL | | 4,38,77,29,751 | 4,53,96,22,712 | 4,77,85,19,748 |

As per our Audit Report of even date annexed

For and on behalf of the Board of Directors

For D G M S & Co
Chartered AccountantsFrim M.No: 0112187W
Sd/-**Mr Shashank P Doshi**Partner
M No. 108456
UDIN : A022889C000820741

Date : 30-08-2021

Place : Davangere

Sd/-
S S Ganesh
Managing Director
DIN : 00451383Sd/-
Abhijith G Shamanur
Executive Director
DIN : 03451918Sd/-
Arun Kumar N M
CFOSd/-
Pooja M M
Compliance Officer



31-3-2021 ಕ್ಕೆ ಅಂತ್ಯಗೊಂಡ ವರ್ಷದ ಲಾಭ ಮತ್ತು ನಷ್ಟದ ತಃಖ್ತೆ
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2021

All Figures in Rs.

| ವಿವರ PARTICULARS | ಅನುಸೂಚಿ Note No. | 31-03-2021 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2021 | 31-03-2020 ಕ್ಕೆ ಇದ್ದಂತೆ As At 31.03.2020 |
|--|---------------------|---|---|
| I ವ್ಯಾಪಾರ ವಹಿವಾಟುಗಳು ಒಟ್ಟು ಮೊತ್ತ REVENUE FROM OPERATIONS | 22 | 1,47,47,02,947 | 2,02,84,71,408 |
| II ಇತರೆ ಆದಾಯಗಳು Other Income | 23 | 34,14,435 | 21,50,730 |
| III ಒಟ್ಟು ವಹಿವಾಟು Total Revenue | | 1,47,81,17,382 | 2,03,06,22,138 |
| IV ಖರ್ಚುಗಳು EXPENSES | | | |
| a) ಬಳಕೆ ಮಾಡಿದ ಸರಕು ಸಾಮಗ್ರಿಗಳ ವೆಚ್ಚ Cost of Materials Consumed | 24 | 92,36,88,738 | 95,04,30,533 |
| b) ವರ್ಷಾರಂಭ ಮತ್ತು ಅಂತ್ಯಕ್ಕೆ ಇರುವ ಸಿದ್ಧ ಮತ್ತು ಕಚ್ಚಾ ದಾಸ್ತಾನುಗಳ ಬದಲಾವಣೆ ಮೊತ್ತ Changes in inventories of finished goods and work in progress | 25 | 6,52,22,138 | 53,30,06,910 |
| c) ನೌಕರರ ಸೌಲಭ್ಯಗಳ ವೆಚ್ಚ Employees Benefit Expenses | 26 | 7,60,58,636 | 7,75,78,586 |
| d) ಸಾಲಗಳ ಮೇಲಿನ ಬಡ್ಡಿ Interest on Borrowings | 27 | 15,41,32,507 | 20,93,12,888 |
| e) ಬ್ಯಾಂಕ್ ಶುಲ್ಕಗಳು Bank Charges | 27 | 1,10,34,306 | 81,19,429 |
| f) ಸವಕಳಿ Depreciation | 4 | 8,87,60,982 | 8,99,47,434 |
| g) ಇತರೆ ವೆಚ್ಚಗಳು Other Expenses | 28 | 12,70,50,120 | 13,60,93,942 |
| ಒಟ್ಟು ವೆಚ್ಚಗಳು TOTAL EXPENSES | | 1,44,59,47,427 | 2,00,44,89,722 |
| V ವಿಶೇಷ ಮತ್ತು ಪ್ರತಿಷೇಧ ಬಾಬುಗಳು ಮತ್ತು ತೆರಿಗೆ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ PROFIT / LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV) | | 3,21,69,955 | 2,61,32,416 |
| VI ಪ್ರತಿಷೇಧ ಬಾಬುಗಳು Exceptional Items | | - | - |



| | | | |
|---|---|------------------|------------------|
| VII ವಿಶೇಷ ಬಾಬುಗಳು ಮತ್ತು ತೆರಿಗೆಯ ಮೊದಲಿನ ಲಾಭ/ನಷ್ಟ PROFIT / LOSS BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI) | | 3,21,69,955 | 2,61,32,416 |
| VIII ವಿಶೇಷ ಬಾಬುಗಳು Extraordinary Items | | - | - |
| IX ತೆರಿಗೆಯ ಮೊದಲಿನ ಲಾಭ / ನಷ್ಟ PROFIT / LOSS BEFORE TAX (VII-VIII) | | 3,21,69,955 | 2,61,32,416 |
| X ತೆರಿಗೆ ವೆಚ್ಚಗಳು TAX EXPENSES | | | |
| a) ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ ಕಾಯ್ದಿರಿಸುವಿಕೆ MAT Provision | | 58,80,146 | 43,56,612 |
| b) ಮುಂದೂಡಿದ ತೆರಿಗೆ Deferred Tax | | 12,96,980 | 10,83,164 |
| ಒಟ್ಟು TOTAL | | 71,77,126 | 54,39,776 |
| XI ಅವಧಿಯಲ್ಲಿ ಬಂದಿರುವ ಲಾಭ / ನಷ್ಟ PROFIT / LOSS FOR THE PERIOD (IX-X) | | 2,49,92,829 | 2,06,92,639 |
| XII Other Comprehensive Income | | | |
| i) Items that will be reclassified to profit / (loss) | | 20,15,000 | 32,54,141 |
| ii) Income tax relating to items that will not be reclassified to profit / (loss) | | (6,04,500) | (9,76,242) |
| XIII Total comprehensive income for the year | | 2,64,03,329 | 1,84,14,740 |
| XII Earnings per Share (Basic and Diluted) Rs. | | 0.45 | 0.37 |
| Corporate information | 1 | | |
| Basis of preparation of Financial Statement | 2 | | |
| Significant Accounting Policies | 3 | | |

As per our Audit Report of even date annexed

For and on behalf of the Board of Directors

For D G M S & Co
Chartered AccountantsFirm M.No: 0112187W
Sd/-**Mr Shashank P Doshi**
Partner
M No. 108456

UDIN : A022889C000820741

Date : 30-08-2021

Place : Davangere

Sd/-
S S Ganesh
Managing Director
DIN : 00451383Sd/-
Abhijith G Shamanur
Executive Director
DIN : 03451918Sd/-
Arun Kumar N M Pooja M M
CFO Compliance Officer

STATEMENT OF CHANGES IN EQUITY

| A Share capital | As at April 01, 2021 | Changes during the year | As at April 01, 2020 | Changes during the year | As at April 01, 2019 | |
|---|-----------------------------|-------------------------|--|-------------------------|----------------------|--|
| Balance of equity share capital | 55,68,44,620 | | 55,68,44,620 | | 55,68,44,620 | |
| B Other equity | | | | | | |
| Particulars | Reserves and Surplus | | Items of other comprehensive income | | | |
| | Retained Earnings | Capital Reserve | Security Premium Reserve | General Reserve | Revaluation surplus | Actuarial Gain & Losses on Defined Benefits Plan |
| As at April 01, 2019 | 33,34,47,446 | 4,07,160 | 2,49,46,750 | 59,96,136 | 1,49,49,35,791 | (54,63,858) |
| Opening Ind As adjustment Measurement (net) Restated balance April 01, 2019 | 33,34,47,446 | 4,07,160 | 2,49,46,750 | 59,96,136 | 1,49,49,35,791 | (54,63,858) |
| Movement during FY 2019-2020 | | | | | | |
| Profit for the year | 2,06,92,639 | | | | | |
| Other comprehensive income | | | | | | (22,77,899) |
| As at March 31, 2020 | 35,41,40,085 | 4,07,160 | 2,49,46,750 | 59,96,136 | 1,49,49,35,791 | (77,41,757) |
| Movement during FY 2020-2021 | | | | | | |
| Profit for the year | 2,49,92,829 | | | | | |
| Other comprehensive income | | | | | | (14,10,500) |
| As at March 31, 2021 | 37,91,32,914 | 4,07,160 | 2,49,46,750 | 59,96,136 | 1,49,49,35,791 | (91,52,257) |

The accompanying notes are an integral part of these financial statements As per our Audit Report of even date annexed

As per our Audit Report of even date annexed

For D G M S & Co
Chartered Accountants
Firm M.No. 0112187W

Sd/-
Mr Shashank P Doshi
Partner
M No. 108456
UDIN : A022899C00820741

Date : 30-08-2021
Place : Davangere

Sd/-
S S Ganesh
Managing Director
DIN : 00451383

Sd/-
Abhijith G Shamanur
Executive Director
DIN : 03451918

Sd/-
Arun Kumar N M
CFO

Sd/-
Pooja M M
Compliance Officer

For and on behalf of the Board of Directors



CASH FLOW STATEMENT ANNEXED TO ANNUAL REPORT FOR THE YEAR ENDED ON 31.03.2021

| | As at 31.03.2021 | As at 31.03.2020 |
|--|--------------------|-----------------------|
| A Cash flow from Operating activities : | | |
| Net profit after tax | 2,49,92,829 | 2,06,92,639 |
| Adjustment for provision for taxation | 71,77,126 | 54,39,776 |
| | 3,21,69,955 | 2,61,32,416 |
| Adjustment for depreciation | 8,87,60,982 | 8,99,47,434 |
| Operating profit before working capital adjustment | 12,09,30,937 | 11,60,79,849 |
| Adjustment for : | | |
| Inventories | 4,65,62,478 | 54,01,74,784 |
| Sundry Debtors & trade receivables | (8,12,63,702) | (3,87,79,505) |
| Trade payables | (2,87,60,511) | (2,44,71,301) |
| Deferred Tax | (23,98,561) | 10,83,164 |
| Others | | - |
| Net cash flow from operating activities | 5,50,70,641 | 59,40,86,991 |
| B Cash flow from Investing Activities: | | |
| Sale of Fixed Assets | | - |
| Purchase of Fixed Assets | (12,71,028) | (1,27,05,741) |
| From Investments | (80,00,000) | (39,00,000) |
| Net Cash flow from Investing activities | (92,71,028) | -1,66,05,741 |
| C Cash flow from Financing activities: | | |
| Proceeds from Short Term Borrowings | (35,34,59,782) | (27,03,80,535) |
| Proceeds from Long Term Borrowings | 46,92,66,015 | (3,36,15,027) |
| Proceeds from Other Long Term Liabilities | (27,66,58,149) | 8,15,09,332 |
| Proceeds from Long Term Loans and Advances | 20,14,93,166 | (20,15,00,818) |
| Proceeds from Other Current Liabilities | 2,29,80,475 | -84,02,059 |
| Proceeds from Short Term Loans and Advances | 2,91,289 | (8,36,96,519) |
| Proceeds from Short Term Provisions | (58,80,146) | (53,13,250) |
| Net cash flow from financing activity | 5,80,32,868 | (52,13,98,876) |
| Net Cash and Cash Equivalents (A+B+C) | 10,38,32,482 | 5,60,82,374 |
| Cash and Cash Equivalents at the beginning of the year | 6,64,82,295 | 1,03,99,920 |
| Cash and Cash Equivalents at the end of the year | 17,03,14,777 | 6,64,82,295 |

As per our Audit Report of even date annexed

For and on behalf of the Board of Directors

For D G M S & Co**Chartered Accountants**

Frim M.No: 0112187W

Sd/-

Mr Shashank P Doshi

Partner

M No. 108456

UDIN : A022889C000820741

Date : 30-08-2021

Place : Davangere

Sd/-

S S Ganesh

Managing Director

DIN : 00451383

Sd/-

Abhijith G Shamanur

Executive Director

DIN : 03451918

Sd/-

Arun Kumar N M

CFO

Sd/-

Pooja M M

Compliance Officer

Segment information for the year ended 31st March, 2021

Rs. In lakhs

| | SUGAR | POWER | AVIATION | TOTAL |
|--|-------------|------------|-------------|------------|
| Primary : | | | | |
| Revenues | | | | |
| 1 External revenues | 13243 | 1471 | 67 | 14781 |
| | (18,680) | (1,348) | (257) | (20,285) |
| 2 Total income from operations | 13243 | 1471 | 67 | 14781 |
| 3 Segment results before Interest | 1348 | 805 | -180 | 1973 |
| | (1,858) | (664) | (34) | |
| 4 Less: Interest expenses | 1651 | 0 | 0 | 1651 |
| | (2,174) | 0 | 0 | (2,174) |
| 5 Total | -303 | 805 | -180 | 322 |
| | (424) | (602) | (79) | (207) |
| 6 Provision for Taxation/ Deferred Tax Liability | 72 | 0 | 0 | 72 |
| | (54) | 0 | 0 | (54.00) |
| 7 Segment Profit | -375 | 805 | -180 | 250 |
| | (316) | (602) | (79) | (207) |
| 8 Segment assets | 32366 | 10877 | 634 | 43877 |
| | (24,462) | (5,350) | (634) | (30,446) |
| 9 Segment liabilities | 40688 | 3189 | 0 | 43877 |
| | (28,406) | (2,400) | 0 | (30,446) |

As per our Audit Report of even date annexed

For and on behalf of the Board of Directors

For D G M S & Co
Chartered Accountants

Frim M.No: 0112187W

Sd/-

Mr Shashank P Doshi

Partner

M No. 108456

UDIN : A022889C000820741

Sd/-

S S Ganesh

Managing Director

DIN : 00451383

Sd/-

Abhijith G
Shamanur

Executive Director

DIN : 03451918

Sd/-

Arun Kumar N M

CFO

Sd/-

Pooja M M

Compliance Officer

Date : 30-08-2021

Place : Davangere

**1. CORPORATE INFORMATION :**

Davangere Sugar Company Limited is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The shares of the Company are listed in the Bombay Stock Exchange as on 19th March 2021. The registered office of the Company is at Davangere, India. Davangere Sugar Company Limited (DSCL) was incorporated in the year 1970 as Joint Sector Company by Karnataka Agro Industries Corporation Limited, Karnataka State Small Industries Development Corporation Limited, IDBI, ICICI, IFCI and local farmers with initial equity capital base of Rs. 160.00 lakhs. DSCL commenced commercial production of Sugar in the year 1974, with a capacity of 1250 TCD. The standalone financial statements for the year ended 31 March 2020 are approved by the Board of Directors on 04-09-2020. The present capacity of the sugar plant is 4750 TCD and the present co-gen plant is of 24.45 MW.

2. Basis of accounting and preparation of Financial Statements :**(A) Statement of Compliance with Ind AS :**

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2017 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable ("Previous GAAP"). These financial statements for the year ended March 31, 2021 are the first financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is April 1, 2016. All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved by the Board of Directors have been considered in preparing these financial statements. These financial statements are approved and adopted by board of directors of the company in their meeting held on 30 June 2021.

(B) Basis of preparation and presentation :

These financial statements have been prepared in accordance with Ind AS under the historical cost basis except for the following:

- i) Certain financial assets and financial liabilities - measured at fair value and
- ii) Defined benefits plan – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

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. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(C) Current / Non-current assets and liabilities :

A. Current Assets – An asset is classified as current when :

- (a) The company expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) The company holds the asset primarily for the purpose of trading;
- (c) The company expects to realise the asset within twelve months after the reporting period;



- (d) The asset is cash or a cash equivalent unless the asset is 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 assets.

B. Current Liability – A liability is classified as current when :

- (a) The company expects to settle the liability in its normal operating cycle;
- (b) The company holds the liability primarily for the purpose of trading;
- (c) The liability is due to be settled within twelve months after the reporting period; or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current liabilities.

(D) Functional and presentation currency :

The financial statements including notes thereon are presented in Indian rupees, which is the functional currency of the company. All the financial information presented in Indian rupees has been rounded to the nearest crore as per the requirement of Schedule III to the Act, unless stated otherwise.

(E) Use of judgment, estimates and assumptions :

The preparation of financial statements in conformity with Ind AS requires the Management to make judgement, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities and contingent assets at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the Management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized 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.

- a) Property, plant and equipment and intangible assets : The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.
- b) Recognition and measurement of defined benefit obligations : The cost of the leave encashment, defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are periodically reviewed at each reporting date.
- c) Fair value measurement of financial instruments : When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in active markets, their fair value is measured using valuation technique. The input to these models are taken from the observable market wherever possible, but where this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to these assumption could affect the fair value of financial instrument.
- d) Provision for litigations and contingencies : The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount.



- e) Impairment of financial and non-financial assets : The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount which is higher of an asset's or Cash generating unit (CGU) fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

(F) 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis as explained above, except for share-based payment transactions that are within the scope of Ind AS 102, 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.

3. Significant accounting policies :

(A) Property, plant and equipment and Capital work-in-progress :

Property, plant and equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses. The cost of an asset includes the purchase cost of materials including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest



on borrowings used to finance the construction of qualifying assets are capitalized as part of cost of the asset until such time that the asset is ready for its intended use. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

When significant part of the property, plant and equipment are required to be replaced at intervals, the company derecognized the replaced part and recognized the new parts with its own associated useful life and it is depreciated accordingly. Likewise when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance cost are recognized in the statement of the profit and loss as incurred. Internally manufactured property, plant and equipment are capitalised at factory cost.

Capital work in progress include property plant & equipment under installation/under development as at the balance sheet date and are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Property, plant and equipment are derecognised from the financial statement, either on disposal or when no economic benefits are expected from its use or disposal. Losses arising in the case of retirement of property, plant and equipment and gain or losses arising from disposal of property, plant and equipment are a recognized in the statement of profit and loss in the year of occurrence.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment, except Land, recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. For Land the company has elected to use Fair Value at the transition to Ind AS and use this value as its deemed cost.

(B) Investment Property :

Investment properties are properties, either land or building or both, held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transactions costs. Subsequent to initial recognition, investment properties are measured in accordance with requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is de-recognised.

(C) Intangible assets :

Intangible asset are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of asset can be measured reliably.

Capital expenditure on purchase and development of identifiable assets without physical substance is recognized as intangible assets in accordance with principles given under Ind AS-38 – Intangible Assets.

Internally generated intangible asset, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of profit & loss in the period in which the expenditure is incurred.

The useful lives of intangible asset are assessed as either finite or indefinite. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible asset with indefinite useful lives, if they are not amortised, but are tested for impairment either individually or at the cash generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether the indefinite life continues to be supportable. Currently there are no intangible assets with indefinite useful life.

Gain or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit & loss when the asset is derecognised.

(D) Depreciation and amortization :

Depreciation on Property, Plant and Equipment (PPE) and Intangible assets is calculated on the basis of useful lives as prescribed under Schedule II to the Companies Act, 2013. The following methods of depreciation are used for PPE and Intangible assets:



| | |
|---------------------|----------------------|
| Plant and machinery | Straight line method |
| Computer software | Straight line method |

(E) Lease :

The company has applied IndAS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IndA S 17. The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

(F) Government grants :

Government grants are recognised at fair value when there is reasonable assurance that the grant would be received and the Company would comply with all the conditions attached with them.

Government grants are recognised in statement of profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable.

(G) Borrowing costs :

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the statement of profit and loss in the period in which they are incurred.

(H) Segment accounting and reporting :

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

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

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole. In addition, the following specific accounting policies have been followed for segment reporting :

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter segment transfers. Inter segment transfers are accounted for based on the transaction price agreed to between the segments which is at cost in case of transfer of Company's intermediate and final products and estimated realisable value in case of by-products.
- Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on direct and/or on a reasonable basis, have been disclosed as "Unallocable"

(I) Employee benefits



Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

- a. **Short-term employee benefits** : Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.
- b. **Defined contribution plan** : Retirement benefits in the form of provident fund, pension fund, superannuation fund and ESI are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund/trust.
- c. **Defined benefit plan** : The liability or assets recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

(J) Inventories

- a. Finished goods are valued at lower of cost or net realisable value. In case of Dead Burnt Magnesite Dust Stocks to the extent these are considered saleable, valuation is done at raw materials cost plus packing charges or net realizable value, whichever is lower. Byproducts are valued at net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods (as on March 31, 2021 & transition date April 01, 2016) includes excise duty. Cost is determined on a weighted average basis.
- b. Work in progress is valued at lower of cost or net realisable value. Cost is determined on a weighted average basis.
- c. Stores, Spares and Raw Materials are valued at lower of cost or net realisable value. However materials & other items of inventories held for use in the production are not written 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 a weighted average basis.
- d. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(K) Financial Instrument :

- i. **Classification** : The company classified financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVTO CI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and contractual cash flow characteristics of the financial asset.
- ii. **Initial Recognition and Measurement** : The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments. 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.
- iii. **Subsequent Measurement** : or the purpose of subsequent measurement the financial assets are classified in three categories:
 - At amortised cost - For debt instruments only.
 - At fair value through profit & loss account • At fair value through other comprehensive income.
- iv. **Debt instruments at amortized cost** : A Financial Asset i.e. a debt instrument is measured at the amortized cost if both the following condition are met.
 - The assets is held within a business model whose objective is to hold assets for collecting contractual cash flow (business model test), and



- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding (contractual cash flow characteristics).

After initial measurement (at Fair value minus transaction cost), such financial assets are subsequently measurement at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount and premium and fee or costs that are an integral part of an EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

- v. **Debt instrument at Fair value through Profit or loss** : Debt instruments included within the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.
- vi. **Debt instruments at Fair value through other comprehensive income** : A financial asset should be measured at FVTO CI if both the following condition are met :

- The assets is held within a business model in which asset are managed both in order to collect contractual cash flows and for sale (business model test), and
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding (contractual cash flow characteristics).

After initial measurement (at Fair value minus transaction cost), such financial assets are measured at Fair value with changes in fair value recognized in OCI except for:(a) Interest calculated using EIR(b) Foreign exchange gain and losses; and(c) Impairment losses and gains.

- vii. **Equity investments** : All equity investments other than investment in subsidiaries, joint venture and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at fair value through other comprehensive income (FVTO CI) or FVTPL. 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 FVTO CI, then fair value changes on the instrument, excluding dividends, are recognised in other compressive income (OCI). There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of such investments.

Equity instrument includes within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit or loss.

- viii. **Derecognition** : A financial assets (or, where applicable, a part of a financial asset) is primarily derecognised when :

- The right to receive cash flows from the assets have expired or
- The company has transferred substantially all the risks and rewards of the assets, or
- The company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

(b) Financial liabilities & Equity

- i. **Classification** : Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.
- ii. **Initial recognition and measurement of Financial Liability** : The company recognizes financial liability when it becomes a party to the contractual provisions of the instrument. All financial liability are recognized initially at fair value minus, for financial liability not subsequently measured at FVTPL, transaction costs that are directly attributable to the issue of financial liability.
- iii. **Subsequent Measurement of Financial Liability** : All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies



- iv. **Financial Liability at amortised cost** : After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) Method. Gain and losses are recognised in statement of profit and loss when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction cost. The EIR amortization is included as finance cost in the statement of profit and loss. This category generally applies to loans & Borrowings.
- v. **Financial Liability at FVTPL** : Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.
- vi. **Equity Instruments** : An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.
- vii. **Derecognition** : A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are, substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount recognised in the Statement of Profit and loss.
- viii. **Offsetting of financial instrument** : 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 realize the assets and settle the liabilities simultaneously.

(L) Investments in Associate, Joint venture & Associate

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each balance sheet date.

(M) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances..

Sale of Goods

Revenue is recognized net of returns and discounts when the significant risks and rewards of ownership of the goods have passed to the buyer for a consideration.

Sale of Power

Revenue from power has been recognized on transmission of electricity to Grid. Power generated at power plant is consumed at manufacturing units and excess power is sold to Grid, which is included in sales at power tariff prevailing as per the respective Power Purchase Agreements.

(N) Foreign currency translation / conversion

Standalone financial statements have been presented in Indian Rupees, which is the Company's functional and presentation currency.

- **Initial recognition** : Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.
- **Conversion** : Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.



- **Exchange differences** : The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(O) Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax : Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum alternate tax : Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax : Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

- (P) Earnings per share** : Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

- (Q) Provisions, contingent liabilities and contingent assets Provisions** : Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.



If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the notes in case of :

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company.
- A present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arises from the past event, when no reliable estimate is possible
- A present obligation arises from the past event, unless the probability of outflow are remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Contingent assets : Contingent assets are not recognized in the financial statements.

(R) Cash and cash equivalents : Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

(S) Impairment Non-financial assets : Property, plant and equipment, intangible assets and assets classified as investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Financial assets : The company applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure :

- Financial assets that are debt instrument and are measured at amortised cost e.g. loans, debt securities, deposits, and bank balance.
- Trade receivables

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.



4. Property plant & equipment, intangible assets & capital work in progress Rs. are in Thousands for purpose of presentation

| Particulars | Tangible Assets | | | | | | | | | | Intangible Assets | | | |
|-----------------------------|-----------------|-------------|---------------------|-----------------------|-----------|------------------|-----------|--------------|---------|--------------------|--------------------|----------|--------------|--|
| | Land Free hold | Buildings | Plant and Equipment | Furniture and Fixture | Vehicles | Office equipment | Computers | Well & Water | Library | Canteen Equipments | Water Storage Tank | Software | Total | |
| Cost or revalued amount | 55,605.43 | 5,05,301.55 | 21,80,168.86 | 2,502.70 | 56,874.46 | 1,503.66 | 5,655.20 | 1,976.43 | 41.21 | 143.61 | 42,600.43 | - | 2,852.37 | |
| as at April 1 2019 (ICAAP) | 4,35,254.57 | 4,40,093.01 | 6,72,407.58 | - | - | - | - | - | - | - | - | - | 1,547.76 | |
| as at April 1 2019 (IND AS) | 490.86 | 945.39 | 2,852.58 | 2.50 | 56.87 | 1.50 | 5.66 | 1.98 | 0.04 | 0.14 | 42.60 | - | 4.40 | |
| Additions | - | - | 54,568 | - | 9,031 | - | - | - | - | - | - | 2,250.00 | 66.85 | |
| Disposal | - | - | - | - | 6,000.00 | - | - | - | - | - | - | - | 6.00 | |
| Gross as at March 31 2020 | 4,90,860.00 | 9,45,394.56 | 29,07,144.71 | 2,502.70 | 59,905.81 | 1,503.66 | 5,655.20 | 1,976.43 | 41.21 | 143.61 | 42,600.43 | 2,250.00 | 44,59,978.33 | |
| Additions | - | 1.27 | - | - | - | - | - | - | - | - | - | - | - | |
| Disposal | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Gross as at March 31 2021 | 490.86 | 945.40 | 2,907.14 | 2.50 | 59.91 | 1.50 | 5.66 | 1.98 | 0.04 | 0.14 | 42.60 | 2.25 | 4,459.98 | |
| Depreciation & amortisation | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| as at April 1 2019 | - | 2,48,344.20 | 12,58,785.96 | 2,379.65 | 36,817.96 | 1,418.18 | 5,257.24 | 1,788.49 | 40.91 | 139.48 | 18,792.32 | - | 1,573.76 | |
| Provided in current year | - | 9,673.29 | 75,998.20 | 10.23 | 2,977.93 | 10.12 | 177.60 | 51.21 | - | 0.82 | 870.36 | 177.66 | 89.95 | |
| Disposal | - | - | - | - | 1,983.83 | - | - | - | - | - | - | - | 1.98 | |
| as at March 31 2020 | - | 258.02 | 1,334.78 | 2.39 | 37.81 | 1.43 | 5.43 | 1.84 | 0.04 | 0.14 | 19.66 | 0.18 | 1.66 | |
| Provided in current year | - | 16,548.24 | 67,342.70 | 10.20 | 3,189.40 | 7.63 | 43.62 | 38.20 | - | 0.43 | 867.99 | 712.58 | 88,760.98 | |
| Disposal | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| as at March 31 2021 | - | 2,74,565.74 | 14,02,126.87 | 2,400.07 | 41,001.46 | 1,435.93 | 5,478.47 | 1,877.91 | 40.91 | 140.73 | 20,530.66 | 890.23 | 17,49,598.75 | |
| Net Block | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| as at March 31, 2019 | 56,040.69 | 2,57,397.44 | 9,22,055.30 | 123.05 | 20,056.51 | 85.48 | 397.95 | 187.94 | 0.30 | 4.13 | 23,808.11 | - | 1,280.16 | |
| as at March 31 2020 | 55,605.43 | 2,47,724.15 | 9,00,625.38 | 112.83 | 22,093.75 | 75.36 | 220.35 | 136.72 | 0.30 | 3.31 | 22,937.75 | 2,072.34 | 1,251.61 | |
| as at March 31 2021 | 4,90,860.00 | 6,72,099.85 | 15,05,017.85 | 102.63 | 18,904.35 | 67.73 | 176.73 | 98.53 | 0.30 | 2.88 | 22,069.77 | 1,359.77 | 2,710.76 | |



ಹಣಕಾಸಿನ ತಃಖ್ತೆಗಳಿಗೆ ಟಿಪ್ಪಣಿಗಳು
NOTES TO FINANCIAL STATEMENTS

NOTE 5 : ಚಾಲ್ತಿಯಲ್ಲದ ಹೂಡಿಕೆಗಳು
NON - CURRENT INVESTMENTS

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--|--|--|--|
| ಎ) ಚಾಲ್ತಿ ವ್ಯವಹಾರದಲ್ಲಿ ಇಲ್ಲದ್ದು (ಘೋಷಿತ ಬೆಲೆಗೆ) A NON-TRADE (CARRIED AT COST) | - | - | - |
| I Investment in government securities | 19,900 | 19,900 | 19,900 |
| II Others | | | |
| ಎ) ಡಿಎಸ್‌ಸಿಎಲ್ ಎಂಪ್ಲಾಯಿಸ್ ಕೋ-ಆಪ್ ಸೊಸೈಟಿಯಲ್ಲಿನ ಷೇರುಗಳು a) Shares with DSCL Employee's Co-operative Society (500 Shares of Rs.10/- each) | 5,000 | 5,000 | 5,000 |
| ಬಿ) ಬಾಪುಜಿ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್‌ನ ಷೇರುಗಳು b) Shares with Bapuji Co-operative Bank Limited, (200 Shares of Rs.50/- each) | 10,000 | 10,000 | 10,000 |
| ಸಿ) ದಾವಣಗೆರೆ ಹರಿಹರ ಅರ್ಬನ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ. ನ ಷೇರುಗಳು c) Shares with Davangere Harihar Urban Co-operative Bank Limited, (1001 Shares of Rs.1000/- each) | 10,01,000 | 10,01,000 | 10,01,000 |
| ಡಿ) ದಾವಣಗೆರೆ ಡಿಸ್ಟ್ರಿಕ್ಟ್ ಸೆಂಟ್ರಲ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ. ನ ಷೇರುಗಳು d) Shares with Chitradurga District Co-operative Bank Limited, (288200 Shares of Rs.50/- each) | 2,24,10,000 | 1,44,10,000 | 1,05,10,000 |
| ಒಟ್ಟು ಮೊತ್ತ TOTAL | 2,34,45,900 | 1,54,45,900 | 1,15,45,900 |

NOTE 6 : ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡ
LOANS AND ADVANCES

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|---|--|--|--|
| ಆಧಾರರಹಿತ ಖಾತ್ರಿಯಾಗಿ ಪರಿಗಣಿಸಿರುವುದು Unsecured considered good ADVANCES : | - | 20,15,00,818 | |
| Advance against Harvesting & Transportation with roll over facility | | | |
| ಒಟ್ಟು ಮೊತ್ತ TOTAL | - | 20,15,00,818 | |



**NOTE 7 : ಇತರ ಚಾಲ್ತಿಯಿಲ್ಲದ ಆಸ್ತಿಗಳು
OTHER NON CURRENT ASSETS :**

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--|--|--|--|
| ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ ಮುಂಬರುವ ಆದಾಯ ತೆರಿಗೆ ಹೊಂದಾಣಿಕೆಗಾಗಿ ಇರುವ ಮೊತ್ತ M A T Credit Entitlement | 4,16,05,410 | 4,15,97,758 | 4,15,96,970 |
| ಒಟ್ಟು TOTAL | 4,16,05,410 | 4,15,97,758 | 4,15,97,758 |

CURRENT FINANCIALS ASSETS

**NOTE 8 : ದಾಸ್ತಾನು
INVENTORIES**

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--------------------------------|--|--|--|
| ಎ. ಸಿದ್ಧ ದಾಸ್ತಾನು | | | |
| A. Finished Goods | | | |
| I Sugar ಸಕ್ಕರೆ | 32,95,43,760 | 36,08,07,048 | 91,15,82,900 |
| II Molasses ಕಾಕಂಬಿ | 11,20,000 | 3,50,78,850 | 1,73,09,908 |
| ಬಿ. ಕಚ್ಚಾ ಸಾಮಗ್ರಿಗಳು | | | |
| B. Consumable Stores | 7,23,38,760 | 7,17,08,610 | 7,88,76,430 |
| ಸಿ. ಕಲ್ಲಿದ್ದಲು ದಾಸ್ತಾನು | | | |
| C. Stock of Coal | 2,11,95,350 | 31,65,841 | 31,65,895 |
| ಒಟ್ಟು TOTAL | 42,41,97,871 | 47,07,60,349 | 1,01,09,35,133 |

**NOTE 9 : ಬರಬೇಕಾದ ವ್ಯಾಪಾರ ಬಾಕಿಗಳು
TRADE RECEIVABLES**

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--|--|--|--|
| ಎ. ಅಧಾರರಹಿತ ಖಾತ್ರಿಯಾಗಿ ಪರಿಗಣಿಸಿರುವುದು | | | |
| A. UNSECURED CONSIDERED GOOD | | | |
| I 180 ದಿನಗಳು ಮೇಲ್ಪಟ್ಟು ಬಾಕಿ ಉಳಿದಿರುವುದು Out standing for a period exceeding 180 days | - | 2,16,925 | |
| II 180 ದಿನಗಳ ಒಳಗೆ ಬಾಕಿ ಉಳಿದಿರುವುದು Out standing for a period below 180 days | 24,90,08,445 | 23,60,71,241 | 18,58,13,661 |
| III ಕೇಂದ್ರ ಸರ್ಕಾರದ ಸಬ್ಸಿಡಿ ಎಫ್‌ಆರ್‌ಬಿಯಿಂದ ಬರತಕ್ಕದ್ದು Central Govt. Subsidy receivable against FRP | 6,85,43,424 | - | 1,16,95,000 |
| ಒಟ್ಟು TOTAL | 31,75,51,869 | 23,62,88,166 | 19,75,08,661 |



**NOTE 10 : ನಗದು ಮತ್ತು ನಗದಿಗೆ ಸಮಾನಂತರವಾದುದು
CASH AND CASH EQUIVALENTS**

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|---|--|--|--|
| A BALANCE WITH BANKS | | | |
| I ನಗದು Cash on hand | 30,67,152 | 24,35,481 | 21,83,634 |
| II ಷೆಡ್ಯೂಲ್ ಬ್ಯಾಂಕುಗಳ ಚಾಲ್ತಿ ಖಾತೆಯಲ್ಲಿ In Current Account with Schedule Banks | 7,56,62,001 | 5,52,58,517 | 47,61,640 |
| III ನಾನ್ ಷೆಡ್ಯೂಲ್ ಬ್ಯಾಂಕ್‌ಗಳ ಚಾಲ್ತಿ ಖಾತೆಯಲ್ಲಿ In Current Account with Non Schedule Banks | 6,30,41,092 | 4,03,939 | 2,42,949 |
| IV ಬ್ಯಾಂಕುಗಳಲ್ಲಿರುವ ಅವಧಿ ಠೇವಣಿಗಳು Term Deposits with Schedule Banks | 2,85,44,532 | 83,84,358 | 32,11,697 |
| ಒಟ್ಟು TOTAL | 17,03,14,777 | 6,64,82,295 | 1,03,99,920 |

**NOTE 11 : ಸಾಲಗಳು ಮತ್ತು ಮುಂಗಡಗಳು
LOANS AND ADVANCES**

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|---|--|--|--|
| I ಠೇವಣಿಗಳು Sundry Deposit | 2,63,608 | 2,63,608 | 2,63,608 |
| II ಅಬಕಾರಿ ತೆರಿಗೆ ಇಲಾಖೆಯಲ್ಲಿ ಠೇವಣಿ In Deposit with Central Excise Department | 5,20,77,447 | 5,24,18,092 | 5,05,91,034 |
| III ನಗದು ಅಥವಾ ವಸ್ತುಗಳ ರೂಪದಲ್ಲಿ ಬರಬೇಕಾದ ಮುಂಗಡ ಹಣ Advances recoverable in cash or in kind | 64,75,12,493 | 65,66,15,394 | 57,47,45,934 |
| ಒಟ್ಟು TOTAL | 69,98,53,549 | 70,92,97,095 | 62,56,00,577 |

**NOTE 12 : ಈಕ್ವಿಟಿ ಷೇರು ಬಂಡವಾಳ
EQUITY SHARE CAPITAL**

(All figures in Rupees)

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|---|--|--|--|
| ಅಧಿಕೃತ ಷೇರು ಬಂಡವಾಳ : 6,00,00,000 ಈಕ್ವಿಟಿ ಷೇರುಗಳು ಪ್ರತಿಷೇರಿಗೆ ರೂ. 10/-ರಂತೆ Authorised Share Capital : 6,00,00,000 Equity Shares of Rs. 10/- each | 60,00,00,000 | 60,00,00,000 | 60,00,00,000 |
| ವಿತರಿಸಿದ, ಅರ್ಜಿಸಿದ ಮತ್ತು ಪಾವತಿಸಲ್ಪಟ್ಟ ಬಂಡವಾಳ 5,56,84,462 ಈಕ್ವಿಟಿ ಪ್ರತಿ ಷೇರಿಗೆ ರೂ. 10/- ರಂತೆ Issued , Subscribed and Paid-up Capital : 5,56,84,462 Equity Shares of Rs. 10/- each | 55,68,44,620 | 55,68,44,620 | 55,68,44,620 |
| ಒಟ್ಟು TOTAL | 55,68,44,620 | 55,68,44,620 | 55,68,44,620 |

**A Reconciliation of ordinary equity shares outstanding at the beginning and end of the reporting year**

| | AS AT 31.03.2021 | | AS AT 31.03.2020 | |
|------------------------------|------------------|--------------|------------------|--------------|
| | No of shares | Rs | No of shares | Rs |
| At the beginning of the year | 5,56,84,462 | 55,68,44,620 | 5,56,84,462 | 55,68,44,620 |
| Changes during the year | - | - | - | - |
| At the end of the year | 5,56,84,462 | 55,68,44,620 | 5,56,84,462 | 55,68,44,620 |

B Terms/ rights attached to ordinary equity shares

The Company has only one class of ordinary equity shares having a face value of Rs.10 per share. Each ordinary equity shareholder is entitled to one vote per share.

In the event of winding-up of the company, the ordinary equity shareholders shall be entitled to be repaid remaining assets of the company, in the ratio of the amount of capital paid up on such ordinary equity shares.

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

| Ordinary Equity shares of Rs 10 each fully paid up | AS AT 31.03.2021 | | AS AT 31.03.2020 | | AS AT 01.04.2019 | |
|--|------------------|-----------|------------------|-----------|------------------|-----------|
| | No of shares | % Holding | No of shares | % Holding | No of shares | % Holding |
| Shamanur Shivashankarappa Ganesh | 1,55,22,478 | 27.88 | 1,55,22,478 | 27.88 | 1,55,22,478 | 27.88 |
| Abhijith Ganesh Shamanur | 69,14,724 | 12.42 | 69,14,724 | 12.42 | 69,14,724 | 12.42 |
| Rekha Ganesh | 60,86,200 | 10.93 | 60,86,200 | 10.93 | 60,86,200 | 10.93 |
| M/s. Mafatlal Plywood Industries P Ltd | 80,00,000 | 14.37 | 80,00,000 | 14.37 | 80,00,000 | 14.37 |

NOTE 13 : ಇತರ ಈಜಿಟಿ OTHER EQUITY

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--|--|--|--|
| 1 ಬಂಡವಾಳ ಮೀಸಲು Capital Reserve : | | | |
| Opening balance as per last financial statement | 4,07,160 | 4,07,160 | 4,07,160 |
| Less : Transferred to retained earnings | - | - | - |
| Closing balance | 4,07,160 | 4,07,160 | 4,07,160 |
| 2 ಷೇರು ಪ್ರೀಮಿಯಮ್ ಮೀಸಲು : Securities Premium Reserve : | | | |
| Opening balance as per last financial statement | 2,49,46,750 | 2,49,46,750 | 2,49,46,750 |
| Less : Transferred to retained earnings | - | - | - |
| Closing balance | 2,49,46,750 | 2,49,46,750 | 2,49,46,750 |
| 3 ಸಾಮಾನ್ಯ ಮೀಸಲು General Reserve : | | | |
| Opening balance as per last financial statement | 59,96,136 | 59,95,836 | 59,95,836 |
| Less : Transferred to retained earnings | - | - | - |
| Closing balance | 59,96,136 | 59,95,836 | 59,95,836 |
| 4 ಮಿಗತೆ Surplus : | | | |
| Balance brought forward from previous year | 35,41,40,085 | 33,34,47,446 | 30,12,26,146 |
| Add: Transfer from the Statement of Profit and Loss Account for the year | 2,49,92,829 | 2,06,92,639 | 3,22,21,300 |
| Other Comprehensive | | | |
| Opening Balance | 1,48,71,94,034 | 1,48,94,71,933 | |
| Additions | (14,10,500) | (22,77,899) | |
| Closing Balance | 1,48,57,83,534 | 1,48,71,94,034 | 1,48,94,71,933 |
| ಒಟ್ಟು TOTAL | 1,89,62,66,495 | 1,87,26,83,866 | 1,85,42,69,126 |



NOTE 14 : ಹಣಕಾಸಿನ ಹೊಣೆ FINANCIAL LIABILITIES

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--|--|--|--|
| ಸಾಲಗಳು Borrowings | | | |
| ಆಧಾರ ಸಹಿತ Secured | | | |
| ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು Term loan from banks | | | |
| i Working Capital Demand Loan | | | |
| ದಾವಣಗೆರೆ ಡಿಸ್ಟ್ರಿಕ್ಟ್ ಸೆಂಟ್ರಲ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ. ಬ್ಯಾಂಕ್ Davangere District Central Co-operative Bank | 19,48,64,953 | - | |
| ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ State Bank Of India | 11,78,56,362 | - | - |
| ii Soft Loan | - | - | |
| ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ State Bank of India | 99,38,140 | 1,31,43,205 | |
| ಕೆನರಾ ಬ್ಯಾಂಕ್ Canara Bank | 79,20,000 | 1,14,40,000 | |
| ಇಂಡಿಯನ್ ಬ್ಯಾಂಕ್ Indian Bank | 29,87,407 | 36,31,339 | |
| ಯೂನಿಯನ್ ಬ್ಯಾಂಕ್ Union Bank | - | 60,64,031 | |
| iii Covid -19 Loan | | | |
| ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ State Bank of India | 26,13,333 | - | - |
| ಕೆನರಾ ಬ್ಯಾಂಕ್ Canara Bank | 44,46,000 | - | - |
| ಇಂಡಿಯನ್ ಬ್ಯಾಂಕ್ Indian Bank | 38,15,917 | - | - |
| iv GECL-2 Loan | | | |
| ಸ್ಟೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ State Bank of India | 8,16,66,667 | - | - |
| ಕೆನರಾ ಬ್ಯಾಂಕ್ Canara Bank | 4,75,00,000 | - | - |
| ಇಂಡಿಯನ್ ಬ್ಯಾಂಕ್ Indian Bank | 2,13,45,833 | - | - |
| v Ethanol Plant Term Loan | | | |
| ದಾವಣಗೆರೆ ಡಿಸ್ಟ್ರಿಕ್ಟ್ ಸೆಂಟ್ರಲ್ ಕೋ-ಆಪ್ ಬ್ಯಾಂಕ್ ಲಿ. ಬ್ಯಾಂಕ್ Davangere District Central Co-operative Bank | 1,00,00,000 | | |
| vi ಸಿಂಡಿಕೇಟ್ ಬ್ಯಾಂಕ್ ಅಲ್ಪಾವಧಿ ಸಾಲ-I Syndicate Bank Term Loan - I | | | 3,50,27,038 |
| ಸಿಂಡಿಕೇಟ್ ಬ್ಯಾಂಕ್ ಅಲ್ಪಾವಧಿ ಸಾಲ-II Syndicate Bank Term Loan - II | | | 3,45,12,280 |
| vii Vehicles Loans | 19,28,896 | 33,38,918 | 16,93,203 |
| ಒಟ್ಟು TOTAL | 50,68,83,508 | 3,76,17,493 | 7,12,32,520 |



Nature of securities repayment terms and rate interest applicable

| Name of the bank | Nature of the facility | Term of repayment | Reate of interesdt | Security provided |
|---------------------|---|--|---|--|
| State Bank of India | Guarantedd Emergency Credit Line GECL 2.0 | Repayment is 5 years from the date of disbursement including 12 month mortorium | 1.00% above EBLR present effective rate at 7.95% | Extension of 2 charge over the existing primary and collateral security. |
| State Bank of India | Covid 19 Emergency credit line | Repayment is over 24 months from the date of disbursement including 6 month mortorium | 1 year MCLR present rate at 7.40% | Extension of charge over the existing primary and collateral security. |
| State Bank of India | Soft Loan | Repayment over 60 months including mortorim of 15 months | 5.10% above MCLR present effective rate 12.85% | First charge over the fixed assets of the company along with other lenders |
| State Bank of India | Working Capital Demand Loan | Repayable in 28 quarterly instalment | 5.10 above MCLR present rate at 12.85% | Hypothecation charge on the goods imported under LC., Hypothecation over sugar stocks, consumables stores, spares, components, packing materials, coal, receivables and all other current assets on pari-passu basis with other consortium bankers |
| Canara Bank | Guarantedd Emergency Credit Line GECL 2.0 | Repayment is 5 years from the date of disbursement including 12 month mortorium | Rate of interest 1 year MCLR +0.60% presently at 7.95 | Extension of 1 charge on the entire current assets of the company. |
| Canara Bank | Covid 19 Emergency credit line | Repayment is over 24 months from the date of disbursement including 6 month mortoriu | Rate intererst 1 year MCLR +0.50% presently at 8.15 | Extension of charge over the existing primary and collateral security. |
| Canara Bank | Soft loan | Repyament in 60 months including mortorium of 15 months | Rate interest 1 year MCLR + 3.0% presently at 12.90% | Extensnion of charge over the primary and collatral security |
| Indian Bank | Guarantedd Emergency Credit Line GECL 2.0 | Repayment is over 40 months including mortorim period of 6 months | Rate of interest 1 year MCLR +1.00% presently at 8.30 | Extension of 2 charge over the existing primary and collateral security. |
| Indian Bank | Covid 19 Emergency credit line | Repayment is over 60 months from the date of disbursement including 12 month mortorium | Reate of interst 1 year MCLR +0.80% presently at 8.15 | Extension of charge over the existing primary and collateral security. |
| Indian Bank | Soft loan | Repyament in 60 months including mortorium of 15 months | 1 year MCLR +7.95% presently at 12.45% | First charge on factory and land building located at Kukkuwada factory along with other lenders |



NOTE 15 : ಇತರೆ OTHERS

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--|--|--|--|
| a) ಆಧಾರರಹಿತ Unsecured Loan from the Managing Director | 27,49,81,294 | 22,48,28,294 | 22,09,30,111 |
| b) ಹೆಚ್ & ಟಿ ಮರುಪಡೆಯುವಿಕೆ ಮತ್ತು ರವಾನೆ H & T Recovery and Remittance | 27,98,00,000 | 60,66,11,149 | 54,00,99,506 |
| ಒಟ್ಟು TOTAL | 55,47,81,294 | 83,14,39,443 | 76,10,29,617 |

NOTE 16 : ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆ
DEFERRED TAX LIABILITIES

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--|--|--|--|
| 1 ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆ Deferred Tax Liability | | | |
| 2 ಸ್ಥಿರ ಆಸ್ತಿಗಳ ಸವಕಳಿಯ ಅವಧಿಯ ವ್ಯತ್ಯಾಸದಿಂದ On account of Timing differences in Depreciation of Fixed Assets | 93,55,891 | 92,48,968 | 64,95,086 |
| 3 ನಿವ್ವಳ ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹೊಣೆ / ಆಸ್ತಿ Net Deferred Tax Liabilities / (Assets) thereon | | | |
| 4 ಕಳೆಯಿರಿ : ಹಿಂದಿನ ವರ್ಷದಲ್ಲಿ ಹೊಂದಿಸಿದ್ದು Less: Provided for in the previous year | 93,55,891 | 92,48,968 | 64,95,086 |
| 5 ಮುಂದೂಡಿದ ತೆರಿಗೆ ಹವಣಿಸಿರುವುದು (ಹಿಮ್ಮುಳ್ಳಿಕೆ) Deferred Tax Provided / (Reversed) | 6,92,480 | 1,06,922 | 27,53,883 |
| ಒಟ್ಟು TOTAL | 1,00,48,370 | 93,55,891 | 92,48,968 |

CURRENT FINANCIAL LIABILITIES

ಅಲ್ಪಾವಧಿ ಸಾಲಗಳು

NOTE 17 : BORROWINGS

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--|--|--|--|
| A ಆಧಾರ ಸಹಿತ SECURED : | | | |
| From Banks | | | |
| (i) ಬಂಡವಾಳ ಸಾಲಗಳು WORKING CAPITAL LOAN | | | |
| ಸ್ವೇಟ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ State Bank of India | 24,61,55,918 | 40,16,60,326 | 40,63,13,611 |
| ಕನರಾ ಬ್ಯಾಂಕ್ Canara Bank | 19,01,06,470 | 25,10,70,102 | 25,24,07,598 |



| | | | |
|---|---------------------|-----------------------|-----------------------|
| ಇಂಡಿಯನ್ ಬ್ಯಾಂಕ್ Indian Bank | 4,54,80,538 | 11,00,01,338 | 11,12,68,767 |
| ಡಿಡಿಎಸ್ ಬ್ಯಾಂಕ್ DDCC Bank | 7,99,22,068 | 8,00,00,000 | |
| ಯೂನಿಯನ್ ಬ್ಯಾಂಕ್ ಆಫ್ ಇಂಡಿಯಾ Union Bank of India | | 14,48,53,348 | 2,00,18,984 |
| ಐಡಿಬಿಐ ಬ್ಯಾಂಕ್ IDBI Bank | | | 6,63,94,667 |
| (ii) OTHER SHORT TERM LOANS : | | | |
| a) ಡಿಡಿಎಸ್ ಬ್ಯಾಂಕ್ ರಾಸಾಯನಿಕ ಗೊಬ್ಬರ ಬೀಜಗಳ ಸಾಲಗಳು DDCC Bank Fertilizer seeds loan | 4,99,60,341 | - | - |
| b) ಡಿಡಿಎಸ್ ಬ್ಯಾಂಕ್ ಸಕ್ಕರೆ ಸಾಲಗಳು DDCC Bank Sugar Pledge Loan | 10,25,00,000 | 8,00,00,000 | 34,99,99,998 |
| ಒಟ್ಟು TOTAL | 71,41,25,335 | 1,06,75,85,117 | 1,33,79,65,652 |

TERMS OF BORROWING :

State Bank of India / Canara Bank / Indian Bank :- Cash Credit / WCDL of State Bank of India Hypothecation charge on the goods imported under LC., Hypothecation over sugar stocks, consumables, stores, spares, components, packing materials, coal, receivables and all other current assets on pari-passu basis with other consortium bankers.

Davangere Distric Cooperative Bank Ltd :- Cash Credit / WCDL First pari pasu charge on fixed and current assets of the company with other consortium bankers.

NOTE 18 : ಕೊಡಬೇಕಾದ ವ್ಯವಹಾರ ಬಾಕಿಗಳು TRADE PAYABLES

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|------------------------------|--|--|--|
| A Secured : | | | |
| On Cane Purchases | 1,60,213 | 33,78,075 | |
| ಸಾಲದಾತರು Sundry Creditors | 8,29,788 | 2,63,72,437 | 5,42,21,812 |
| ಒಟ್ಟು TOTAL | 9,90,001 | 2,97,50,512 | 5,42,21,812 |

NOTE 19 : ಇತರೆ ಚಾಲ್ತಿ ಹೊಣೆಗಳು OTHER FINANCIAL LIABILITIES

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|---|--|--|--|
| a) ಅವಧಿ ಮುಗಿದಿರುವ ಚಾಲ್ತಿ ದೀರ್ಘಾವಧಿ ಹೊಣೆಗಳು Current maturities of Long Term Liabilities | 9,87,52,041 | 5,93,83,434 | 7,79,32,956 |
| b) ಬಡ್ಡಿ ಸಂಗ್ರಹ ಬಾಕಿ Interest accrued and due on Borrowings | 61,43,232 | 1,02,85,229 | |
| ಒಟ್ಟು TOTAL | 10,48,95,273 | 6,96,68,663 | 7,79,32,956 |



NOTE 20 : ಇತರೆ ಚಾಲ್ತಿಯ ಹೊಣೆಗಲು OTHER CURRENT LIABILITIES

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|--|--|--|--|
| a) ಶಾಸನಬದ್ಧ ಪಾವತಿಗಲು Statutory Remittances | 61,92,992 | 35,97,874 | 1,52,72,470 |
| b) ವ್ಯವಹಾರ ಅಥವಾ ಭದ್ರತಾರೇವಣಿ ಪಡೆದಿರುವುದು Trade or Security Deposits received | 14,88,545 | 39,48,565 | 90,88,778 |
| c) ಇತರೆ Others | 2,93,33,171 | 5,27,74,057 | 2,17,33,366 |
| ಒಟ್ಟು TOTAL | 3,70,14,709 | 6,03,20,496 | 4,61,04,614 |

NOTE 21 : ಅಲ್ಪಾವಧಿ ಹವಣಿಕೆ SHORT TERM PROVISIONS

| | 31.03.2021ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2021 | 31.03.2020ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 31.03.2020 | 01.04.2019ಕ್ಕೆ ಇದ್ದಂತೆ AS AT 01.04.2019 |
|---|--|--|--|
| ಕನಿಷ್ಠ ಪರ್ಯಾಯ ತೆರಿಗೆ For Minimum Alternate Tax | 58,80,146.00 | 43,56,612.00 | 96,69,862.00 |
| ಒಟ್ಟು TOTAL | 58,80,146.00 | 43,56,612.00 | 96,69,862.00 |

NOTE 22 : ವ್ಯವಹಾರದಿಂದ ಬಂದ ಆದಾಯ REVENUE FROM OPERATIONS

| | 31.03.2021 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2021 | 31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2020 |
|---|---|---|
| ಎ) ಉತ್ಪನ್ನಗಳ ಮಾರಾಟ SALE OF PRODUCTS | | |
| I a. ಸಕ್ಕರೆ Sugar Domestic | 77,87,55,050 | 1,58,91,47,781 |
| b. ಸಕ್ಕರೆ ರಫ್ತು Sugar Export | 21,72,41,860 | 2,59,25,130 |
| c. ಸಕ್ಕರೆ ರಫ್ತು ಅನುದಾನ Subsidy on Sugar Export | 6,85,43,424 | - |
| II a. ಕಾಕಂಬಿ Molasses Domestic | 3,95,53,602 | 8,38,96,811 |
| b. ಕಾಕಂಬಿ ರಫ್ತು Molasses Export | 9,36,31,479 | 3,72,18,910 |
| III ವಿದ್ಯುತ್ Power | 14,70,49,728 | 13,47,69,180 |
| IV ಪ್ರೆಸ್‌ಮಡ್ Pressmud | 5,32,058 | 5,86,755 |
| ಬಿ) ಇತರೆ ವ್ಯವಹಾರದಿಂದ ಆದಾಯ OTHER OPERATING INCOME | | |
| 1 ವಾಯುಯಾನ ಬಾಡಿಗೆ Aviation Receipts | 67,41,167 | 2,56,53,330 |
| 2 ಕಬ್ಬಿನ ಬೀಜ ಮಾರಾಟ Sale of Sugar cane Seeds | 12,26,54,580 | 13,12,73,511 |
| ಒಟ್ಟು TOTAL | 1,47,47,02,947 | 2,02,84,71,408 |



NOTE 23 : ಇತರೆ ಆದಾಯ OTHER INCOME

| | 31.03.2021 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2021 | 31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2020 |
|--|---|---|
| ಎ) ಬಡ್ಡಿಯ ಆದಾಯ INTEREST INCOME | | |
| I ಸಾಲ ಮತ್ತು ಮುಂಗಡಗಳಿಂದ From Loans and Advances | 12,43,355 | 40,18,474 |
| II ಠೇವಣಿಗಳಿಂದ From Deposits | 1,89,101 | 2,15,856 |
| ಬಿ) ಹೂಡಿಕೆಗಳಿಂದ ಡಿವಿಡೆಂಡ್ DIVIDEND FROM INVESTMENTS | - | 83,065 |
| ಸಿ) ಇತರೆ ಕಾರ್ಯಚಟುವಟಿಕೆಯಲ್ಲದ ಆದಾಯ OTHER NON OPERATING INCOME | | |
| I ವಾಹನ ಮಾರಾಟದ ಲಾಭ-ನಷ್ಟ Profit or loss on sale of vehicles | - | (23,02,366) |
| II ಸ್ವೀಕರಿಸಿದ ಬಾಡಿಗೆ Rent received | 30,000 | 30,000 |
| III ವಿಮೆಯಿಂದ ಬಂದ ಹಣ Insurance claims received | 19,51,979 | 1,05,700 |
| ಒಟ್ಟು TOTAL | 34,14,435 | 21,50,730 |

NOTE 24 : ಬಳಕೆ COST OF MATERIALS CONSUMED

| | 31.03.2021 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2021 | 31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2020 |
|---|---|---|
| A ಕಬ್ಬು ಖರೀದಿ ಮತ್ತು ಬಳಕೆ (ಇತರೆ ಸರಬರಾಜು ವೆಚ್ಚ ಮತ್ತು ಕಬ್ಬು ಖರೀದಿ ಕರ ಸೇರಿ) Sugar Cane purchased and consumed (Inclusive of Cane purchase Tax and Other procurement Charges) | 90,15,60,775 | 91,16,55,907 |
| B ಕಲ್ಲಿದ್ದಲು ಖರೀದಿ ಮತ್ತು ಬಳಕೆ (ಸುಂಕ ಮತ್ತು ಸಾಗಾಣಿಕೆ ಸೇರಿ) Steaming Coal purchased and consumed (Inclusive of Duties and Transportation Charges) | 2,21,27,962 | 3,87,74,627 |
| ಒಟ್ಟು TOTAL | 92,36,88,738 | 95,04,30,533 |



NOTE 25 : ದಾಸ್ತಾನಿನಲ್ಲಿ (ಏರಿಕೆ / ಇಳಿಕೆ) (INCREASE) / DECREASE IN INVENTORIES :

| | 31.03.2021 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2021 | 31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2020 |
|--|---|---|
| ಎ) ಸಿದ್ಧ ವಸ್ತುಗಳು A) FINISHED GOODS | | |
| a) ಪ್ರಾರಂಭಿಕ ದಾಸ್ತಾನು Opening Stock : | | |
| ಸಕ್ಕರೆ Sugar | 36,08,07,048 | 91,15,82,900 |
| ಕಾಕಂಬಿ Molasses | 3,50,78,850 | 1,73,09,908 |
| ಒಟ್ಟು TOTAL | 39,58,85,898 | 92,88,92,808 |
| ಬಿ) ಅಖೈರು ದಾಸ್ತಾನು B) Closing Stock : | | |
| ಸಕ್ಕರೆ Sugar | 32,95,43,760 | 36,08,07,048 |
| ಕಾಕಂಬಿ Molasses | 11,20,000 | 3,50,78,850 |
| Total | 33,06,63,760 | 39,58,85,898 |
| ಒಟ್ಟು GRAND TOTAL (a)-(b) | 6,52,22,138 | 53,30,06,910 |

NOTE 26 : ನೌಕರರ ಸೌಲಭ್ಯಗಳ ವೆಚ್ಚಗಳು EMPLOYEE BENEFIT EXPENSES

| | 31.03.2021 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2021 | 31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2020 |
|---|---|---|
| ಎ) ಸಂಬಳ, ಮಜೂರಿ ಮತ್ತು ಭತ್ಯೆಗಳು A Salaries, wages and allowances | 6,81,79,327 | 7,00,04,689 |
| ಬಿ) ಭವಿಷ್ಯನಿಧಿ ಮತ್ತು ಇತರೆ ನಿಧಿಗಳಿಗೆ ಪಾವತಿಸಿರುವುದು B Contribution to Provident fund and Other funds | 49,01,710 | 47,23,163 |
| ಸಿ) ಸಿಬ್ಬಂದಿ ಕ್ಷೇಮಾಭ್ಯುದಯ ಖರ್ಚುಗಳು C Staff Welfare Expenses | 29,77,600 | 28,50,735 |
| ಒಟ್ಟು TOTAL | 7,60,58,636 | 7,75,78,586 |

NOTE 27 : ಹಣಕಾಸು ವೆಚ್ಚಗಳು FINANCE COSTS

| | 31.03.2021 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2021 | 31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2020 |
|---|---|---|
| ಎ) ಬಡ್ಡಿ ವೆಚ್ಚ A Interest Expenses | 15,41,32,507 | 20,93,12,888 |
| ಬಿ) ಇತರೆ ಸಾಲಗಳಿಗೆ ವೆಚ್ಚ B Other Borrowings Costs | 1,10,34,306 | 81,19,429 |
| ಒಟ್ಟು TOTAL | 16,51,66,813 | 21,74,32,317 |



NOTE 28 : ಇತರೆ ಖರ್ಚುಗಳು OTHER EXPENSES

| | 31.03.2021 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2021 | 31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2020 |
|---|---|---|
| ಸ್ಪೋರ್ಸ್ ಮತ್ತು ಬಿಡಿಭಾಗಗಳ ಬಳಕೆ Consumption of Stores and spares | 1,40,30,320 | 1,23,50,981 |
| ಖಾಲಿ ಚೀಲಗಳು ಮತ್ತು ದಾಸ್ತಾನಿನ ಖರ್ಚುಗಳು Packing and storage expenses | 1,36,14,254 | 1,52,29,797 |
| ನೀರಿನ ಕರ Water Charges | 3,728 | 5,798 |
| ಬಾಡಿಗೆ Rent | 39,86,135 | 75,33,965 |
| ಕಾನೂನು ಮತ್ತು ಸೇವಾ ಖರ್ಚುಗಳು Legal and Professional Charges | 47,40,325 | 43,45,923 |
| ದುರಸ್ತಿ ಮತ್ತು ನಿರ್ವಹಣೆ : Repairs and Maintenance : | | |
| ಕಟ್ಟಡಗಳಿಗೆ on Buildings | 7,36,724 | 8,14,862 |
| ಯಂತ್ರೋಪಕರಣಗಳಿಗೆ on Plant and Machinery | 4,97,21,516 | 4,98,97,098 |
| ಇತರೆ on Others | 7,97,829 | 18,45,935 |
| ಸರಬರಾಜು ಮತ್ತು ವಿತರಣಾ ಖರ್ಚುಗಳು Supply and Distribution Expenses | 88,28,998 | 72,51,843 |
| ಪ್ರಯಾಣ ಭತ್ಯೆ ಖರ್ಚುಗಳು Travelling and Conveyance | 11,37,452 | 16,51,293 |
| ಬಾಡಿಗೆ ಮತ್ತು ಸಾಗಾಣಿಕೆ ವೆಚ್ಚಗಳು Freight and Forwarding | 88,11,985 | 82,75,591 |
| ಅಂಚೆ ಮತ್ತು ದೂರವಾಣಿ ಖರ್ಚುಗಳು Postage and Telephone Expenses | 4,59,582 | 5,89,439 |
| ಮುದ್ರಣ ಮತ್ತು ಲೇಖನಿ ಖರ್ಚುಗಳು Printing and Stationery | 5,51,280 | 7,63,283 |
| ವಿಮೆ Insurance | 60,09,409 | 60,50,629 |
| ವಾಹನಗಳ ನಿರ್ವಹಣೆ Vehicle Maintenance | 59,75,062 | 43,62,428 |
| ಪ್ರಚಾರ Advertisement | 3,675 | 80,736 |
| ನಿರ್ದೇಶಕರುಗಳ ಪ್ರವಾಸದ ಖರ್ಚುಗಳು Travelling Expenses to Managing Director | 36,37,864 | 79,74,596 |
| ಆಡಿಟ್ ಶುಲ್ಕ Audit Fee : | | |
| ಕಾಯ್ದೆ ಬದ್ಧ ಆಡಿಟ್‌ಗೆ For Statutory Audit | 2,50,000 | 50,000 |
| ತೆರಿಗೆ ಆಡಿಟ್‌ಗೆ For Tax Audit | 50,000 | 35,000 |
| ಕಾಸ್ಟ್ ಆಡಿಟ್‌ಗೆ For Cost Audit | 50,000 | 60,000 |
| ಇತರೆ ಸೇವೆಗಳಿಗೆ For Other Services | 1,32,460 | 1,41,015 |
| ಇತರೆ ಖರ್ಚುಗಳು Other Expenses | 35,21,522 | 67,83,730 |
| ಒಟ್ಟು TOTAL | 12,70,50,120 | 13,60,93,942 |

**29 ತೆರಿಗೆ ಖರ್ಚುಗಳು Tax Expense**

| Particulars | 31.03.2021 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2021 | 31.03.2020 ಕ್ಕೆ ಇದ್ದಂತೆ For the year ended March 31, 2020 |
|---|---|---|
| The major components of income tax expense for the financial year 2020-21 & 2019-2020 | | |
| Current Tax is provided on minimum alternative tax bases | 58,80,146 | 43,56,612 |
| Deferred Tax on timing difference of on depreciation | 12,96,979 | 10,83,164 |
| Other comprehensive income | | |
| Re-measurement (gains) / losses on defined benefit plans | 20,15,000 | 32,54,141 |
| Income tax relating to items recognised in OCI during the year | 6,04,500 | 9,76,242 |

30 Other Comprehensive Income

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Items that will classified to profit and loss | 20,15,000 | 32,54,141 |
| Income tax effect on Items that will be classified to profit and loss | 6,04,500 | 9,76,242 |

31 Earning Per Share

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Net Profit / Loss attributable to equity share holders | 2,49,92,829 | 2,06,92,639 |
| Number equity shares outstanding during the year | 5,56,84,462 | 5,56,84,462 |
| Face value of equity shares | 10 | 10 |
| Earning per shares | | |
| Basic | 0.45 | 0.37 |
| Diluted | 0.45 | 0.37 |

32 Contingent liabilities and commitment (to the extent not provided for)

| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
|---|----------------------|----------------------|---------------------|
| a) Claims against the company not acknowledged as debt | | | |
| (I) Contingent Liability | | | |
| A) In respect of show cause notices from Central Excise and Customs department in various cases against which the company has preferred appeal at various authority level | 4,06,53,761.00 | 4,06,53,761.00 | 4,06,53,761 |
| B) The company has given corporate guarantee on Harvesting and Transportation loan taken by farmers from the bank | 37,00,00,000.00 | 40,66,00,000.00 | 52,90,00,000 |

(II) Commitments On ethanol projects ; Estimate amount of contracts remaining to be executed on ethanol projects Rs. 65.00 Crores

**33 Remuneration paid to auditors**

| Particulars | 2020-21 | 2019-20 |
|---------------------|-------------|-------------|
| Statutory auditor | | |
| i) Audit fees | 2,50,000.00 | 50,000.00 |
| ii) Tax audit fees | 50,000.00 | 35,000.00 |
| iii) Other services | 1,32,460.00 | 1,41,015.00 |

34 Details of Dues to Micro and Small Enterprises as per MSMED Act, 2006 to the extent of information available with the Company
Particulars

| | Year ended 31.03.2021 | Year ended 31.03.2021 |
|--|--------------------------|--------------------------|
| i) Principal amount and Interest due thereon remaining unpaid to any supplier as at end of each accounting year | - | - |
| ii) Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year. | - | - |
| iii) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act | - | - |
| iv) The amount of interest accrued and remaining unpaid | | |
| v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act. | - | - |

35 Segment information for the year ended March 31, 2021 prepared under Ind AS 108**i) Information on the primary business segments ; Refer P.No. 70****ii) Geographical location**

The geographical segments have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and overseas segment includes sales to customer located outside India.

| Particulars | Year ended 31.03.2021 | Year ended 31.03.2020 |
|-------------|------------------------|------------------------|
| | Revenue from operation | Revenue from operation |
| Domestic | 1,16,38,29,608 | 1,96,53,27,368 |
| Overseas | 31,08,73,339 | 6,31,44,040 |



36 Related party disclosure as required by Ind AS 24 for the year ended March 2021

(a) Name of the related parties and description of relationship

| (l) Enterprise over which management personnel is able to exercise significant influence | Nature of relationship |
|--|------------------------------------|
| (a) M/s. Kalleshwar Traders | MD relative is partner in the firm |
| (b) M/s. S Kallappa and Sons | MD is partner in the firm |
| (c) M/s. Shivshankar Associates | MD is partner in the firm |

| ii) Key management personnel | | |
|---|--|-------------------------|
| - Shri Shamanur Shivashankarappa Ganesh | | Managing Director |
| - Smt Rekha Ganesh | | Director |
| - Shri Abhijith Samanur Ganesh | | Executive Director |
| - Shri Arun Kumar N M | | Chief Financial Officer |
| - Smt Pooja M M | | Compliance Officer |

(b) Details of transactions carried out with related party in the normal course of business

| | Nature of transaction | Amount Rs. |
|---|-----------------------|------------|
| (i) Shri Shamanur Shivashankarappa Ganesh | Remuneration | 36,00,000 |
| (ii) Shri Abhijith Samanur Ganesh | Remuneration | 19,44,000 |
| (iii) Mr. Arun Kumar N M | Remuneration | 11,99,355 |
| (iv) Ms. Pooja M M | Remuneration | 1,62,528 |
| (v) M/s. Kalleshwar Traders | Purchases | 1,66,325 |
| (vi) M/s. S Kallappa and Sons | Purchases | 19,720 |
| (vii) M/s. Shivshankar Associates | Purchases | 74,770 |

**37 Transition to IND AS**

These financial statements, for the year ended March 31, 2021, are the first financial statements, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2021, together with the comparative period data as at and for the year ended March 31, 2020, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2019, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2019 and the financial statements as at and for the year ended March 31, 2020.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from the previous GAAP to Ind AS :

a. Deemed cost

The Company has opted to revalue its property, plant and equipment / Building / Land as per INDAS transition guidance from (i.e. April 1, 2019) except well and water works / Furniture and fixtures / Vehicles / Office equipments / Library / Canteen equipments / Computers / Water Storage tank / Intangible where company is opted to with carrying value as recognised in the previous GAAP financial statement as their deemed cost at the transition date to Ind AS i.e. April 1, 2019 as deemed cost on the date of transition to Ind AS.

b. Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing on the date of transition to Ind AS, except where the effect is expected to be not material.

c. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



Reconciliation of equity as previously reported under IGAAP to IND AS as at April 01, 2019

| PARTICULARS | AS AT March 31, 2019 IGGAP | AS AT March 31, 2019 Adjustment | AS AT March 31, 2019 As per IND AS |
|------------------------------------|----------------------------------|---------------------------------------|--|
| I ASSETS | | | |
| A) NON -CURRENT ASSETS | | | |
| a) Property , Plant and Equipments | 1,27,86,09,150 | 1,54,77,55,158 | 2,82,63,64,308 |
| b) Capital Work in Progress | 5,45,68,280 | 5,45,68,280 | |
| | 1,33,31,77,430 | 1,54,77,55,158 | 2,88,09,32,588 |
| c) Financial Assets | | | |
| i) Investments | 1,15,45,900 | - | 1,15,45,900 |
| ii) Loans and advances | - | - | - |
| d) Other Non Current assets: | 4,15,96,970 | - | 4,15,96,970 |
| B) CURRENT ASSETS | | | |
| a) Inventories | 1,01,09,35,133 | - | 1,01,09,35,133 |
| b) Financial Assets | | | |
| i) Trade Recevables | 19,75,08,661 | - | 19,75,08,661 |
| ii) Cash and cash equivalents | 1,03,99,920 | - | 1,03,99,920 |
| iii) Loans and advances | 67,84,19,944 | (5,28,19,367) | 62,56,00,577 |
| TOTAL | 3,28,35,83,957 | 1,49,49,35,791 | 4,77,85,19,748 |
| I EQUITY AND LIABILITIES | | | |
| A) EQUITY | | | |
| a) Share Capital | 55,68,44,620 | - | 55,68,44,620 |
| b) Other equity | 36,47,97,193 | 1,48,94,71,934 | 1,85,42,69,127 |
| | 92,16,41,813 | | 2,41,11,13,747 |
| B) LIABILITIES : | | | |
| 1) NON-CURRENT LIABILITIES | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 7,12,32,520 | - | 7,12,32,520 |
| ii) Other | 76,10,29,617 | - | 76,10,29,617 |
| b) Deferred Tax Liability | 1,15,90,621 | (23,41,653) | 92,48,968 |
| 2) CURRENT LIABILITIES | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 1,33,79,65,652 | - | 1,33,79,65,652 |
| ii) Trade Payables | 5,42,21,812 | - | 5,42,21,812 |
| iii) Other Financial Liabilities | 7,79,32,956 | - | 7,79,32,956 |
| a) Other Current liabilities | 3,82,99,103 | 78,05,511 | 4,61,04,614 |
| b) Short term Provisions | 96,69,862 | - | 96,69,862 |
| TOTAL | 3,28,35,83,957 | 1,49,49,35,792 | 4,77,85,19,749 |
| | (0) | 0 | 0 |



Reconciliation of equity as previously reported under IGAAP to IND AS as at 31st March, 2020

| PARTICULARS | AS AT March 31,2020 IGGAP | AS AT March 31,2020 Adjustment | AS AT March 31,2020 As per IND AS |
|------------------------------------|---------------------------------|--------------------------------------|---|
| I ASSETS | | | |
| A) NON-CURRENT ASSETS | | | |
| a) Property , Plant and Equipments | 1,25,04,95,172 | 1,54,77,55,158 | 2,79,82,50,330 |
| | 1,25,04,95,172 | 1,54,77,55,158 | 2,79,82,50,330 |
| b) Financial Assets | | | |
| i) Investments | 1,54,45,900 | | 1,54,45,900 |
| ii) Loans and advances | 20,15,00,818 | | 20,15,00,818 |
| c) Other Non Current assets : | 4,15,97,758 | | 4,15,97,758 |
| B) CURRENT ASSETS | | | |
| a) Inventories | 47,07,60,349 | | 47,07,60,349 |
| b) Financial Assets | | | |
| i) Trade Recevables | 23,62,88,166 | | 23,62,88,166 |
| ii) Cash and cash equivalents | 6,64,82,295 | | 6,64,82,295 |
| iii) Loans and advances | 76,21,16,462 | (5,28,19,367) | 70,92,97,095 |
| TOTAL | 30,46,86,921 | 1,49,49,35,791 | 4,53,96,22,712 |
| I EQUITY AND LIABILITIES | | | |
| A) EQUITY | | | |
| a) Share Capital | 55,68,44,620 | | 55,68,44,620 |
| b) Other equity | 38,54,89,832 | 1,48,71,94,034 | 1,87,26,83,866 |
| | 94,23,34,452 | 1,48,71,94,034 | 2,42,95,28,486 |
| B) LIABILITIES : | | | |
| 1) NON-CURRENT LIABILITIES | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 3,76,17,493 | | 3,76,17,493 |
| ii) Other | 83,14,39,443 | | 83,14,39,443 |
| b) Deferred Tax Liability | 92,48,968 | 1,06,922 | 93,55,891 |
| 2) CURRENT LIABILITIES | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 1,06,75,85,117 | | 1,06,75,85,117 |
| ii) Trade Payables | 2,97,50,512 | | 2,97,50,512 |
| iii) Other Financial Liabilities | 6,96,68,663 | | 6,96,68,663 |
| a) Other Current liabilities | 5,70,66,355 | 32,54,141 | 6,03,20,496 |
| b) Short term Provisions | 43,56,612 | | 43,56,612 |
| TOTAL | 3,04,46,86,921 | 1,49,49,35,791 | 4,53,96,22,712 |
| | (0) | 0 | 0 |



Reconciliation of profit and loss for the year ended March 31, 2020

| PARTICULARS | For the year ended 31-Mar-20 IGAAP | For the year ended 31-Mar-20 adjustments | For the year ended 31-Mar-20 As per IND AS |
|--|--|--|--|
| I REVENUE FROM OPERATIONS (GROSS) | 2,02,84,71,408 | -- | 2,02,84,71,408 |
| II Other Income | 21,50,730 | -- | 21,50,730 |
| III Total Revenue | 2,03,06,22,138 | -- | 2,03,06,22,138 |
| IV EXPENSES | | | |
| a) Cost of Materials Consumed | 95,04,30,533 | -- | 95,04,30,533 |
| b) Changes in inventories of finished goods and work in progress | 53,30,06,910 | -- | 53,30,06,910 |
| c) Employees Benefit Expenses | 7,75,78,586 | -- | 7,75,78,586 |
| d) Interest on Borrowings | 20,93,12,888 | -- | 20,93,12,888 |
| e) Bank Charges | 81,19,429 | -- | 81,19,429 |
| f) Depreciation | 8,99,47,434 | -- | 8,99,47,434 |
| g) Other Expenses | 13,60,93,942 | -- | 13,60,93,942 |
| TOTAL EXPENSES | 2,00,44,89,722 | -- | 2,00,44,89,722 |
| V PROFIT / LOSS BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV) | 2,61,32,416 | -- | 2,61,32,416 |
| VI Exceptional Items | - | -- | - |
| VII PROFIT / LOSS BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI) | 2,61,32,416 | -- | 2,61,32,416 |
| VIII Extraordinary Items | - | -- | - |
| IX PROFIT /LOSS BEFORE TAX (VII-VIII) | 2,61,32,416 | -- | 2,61,32,416 |
| X TAX EXPENSES- | | | |
| a) MAT Provision | 43,56,612 | -- | 43,56,612 |
| b) Deferred Tax | 10,83,164 | -- | 10,83,164 |
| Total tax expense | 54,39,776 | -- | 54,39,776 |
| XI PROFIT / LOSS FOR THE YEAR FROM OPERATION (IX-X) | 2,06,92,639 | -- | 2,06,92,639 |
| XII Other Comprehensive Income | | | |
| i) Items that will be reclassified to profit/(loss) | | 32,54,141 | 32,54,141 |
| ii) Income tax relating to items that will not be reclassified to profit / (loss) | | (9,76,242) | (9,76,242) |
| XIII Total comprehensive income for the year | 2,06,92,639 | -- | 1,84,14,740 |

Footnotes to the reconciliation of equity as at April 1, 2019 and March 31, 2020 and Statement of Profit and Loss for the year ended March 31, 2020 :

Equity as at the transition date has been adjusted consequent to the above Ind AS transitional adjustments.

Detailed reconciliation of Equity as per I GAAP & Equity as per IND AS is as per the below table.

**Other Equity Reconciliation**

| Particular | As at April 1, 2019 | As at March 31, 2020 |
|--|-----------------------|-----------------------|
| As per IGAAP | 36,47,97,193 | 38,54,89,832 |
| Fair valuation of Land and Buildings and Plant and Machinery | 1,54,77,55,157 | 1,54,77,55,157 |
| Impairment of loans and advances | (5,28,19,366) | (5,28,19,366) |
| Recognition of defined benefit obligation (net of tax) | (54,63,858) | (77,41,757) |
| | 1,48,94,71,933 | 1,48,71,94,034 |
| As per Ind As | 1,85,42,69,126 | 1,87,26,83,866 |

Property, plant and equipment & Intangible Assets

The company has elected to use fair value method for valuation of Land and Building, Plant and Machinery at the date of transition to Ind As i.e 1st April 2019 and use that fair value as deemed cost at that date

Ind AS 101 permits a first-time adopter to elect to value its assets as fair value method as deemed cost as on that date to value its land, building and property, plant and equipment as recognised in the financial statements as deemed cost

| Particular | As at April 1, 2019 | As at March 31, 2020 |
|--|-----------------------|-----------------------|
| As per IGAAP | - | - |
| Land | 5,56,05,433 | 5,56,05,433 |
| Fair valuation of Land on transition | 43,52,54,568 | 43,52,54,568 |
| As per IND AS | 49,08,60,001 | 49,08,60,001 |
| Building | 50,53,01,550 | 50,53,01,550 |
| Fair valuation of Building on transition | 45,66,11,067 | 45,66,11,067 |
| As per IND AS | 96,19,12,617 | 96,19,12,617 |
| Property, Plant and Equipment | 2,18,01,68,855 | 2,23,47,37,134 |
| Fair valuation of Building on transition | 65,58,89,522 | 65,58,89,522 |
| As per IND AS | 2,83,60,58,377 | 2,89,06,26,657 |

Defined benefit obligation

Company recognised costs related to its post-employment defined benefit plan on an actuarial basis under IND AS in IND AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus, the employee benefit cost recognised in the balance sheet as at April 01, 2019 Rs 54,63,858 and March 31, 2020 Rs 22,77,899 net of taxes

38. Lease

Payment recognised as an expense

| Particular | Year ended 31.03.2021 | Year ended 31.03.2020 |
|-----------------------|-----------------------|-----------------------|
| Minimum lease payment | 39,86,134.86 | 75,33,964.92 |



39. Financial Instruments

| Particulars | Fair value hierarchy | As at 31.03.2021 | | As at 31.03.2020 | | As at 31.03.2019 | |
|---|---------------------------|------------------|--------------|------------------|----------------|------------------|----------------|
| | | Carrying Amount | Fair value | Carrying Amount | Fair value | Carrying Amount | Fair value |
| Financial assets designated at amortised cost | | | | | | | |
| Investment | Carried at amortised cost | 2,34,45,900 | 2,34,45,900 | 1,54,45,900 | 1,54,45,900 | 1,15,45,900 | 1,15,45,900 |
| Loans and advances (non current) | Carried at amortised cost | -- | -- | 20,15,00,818 | 20,15,00,818 | -- | -- |
| Trade receivables | Carried at amortised cost | 31,75,51,869 | 31,75,51,869 | 23,62,88,166 | 23,62,88,166 | 19,75,08,661 | 19,75,08,661 |
| Cash and cash equivalents | Carried at amortised cost | 17,03,14,777 | 17,03,14,777 | 6,64,82,295 | 6,64,82,295 | 1,03,99,920 | 1,03,99,920 |
| Loans and advances (current) | Carried at amortised cost | 69,98,53,549 | 69,98,53,549 | 70,92,97,095 | 70,92,97,095 | 62,56,00,577 | 62,56,00,577 |
| Financial liabilities designated at amortised cost | | | | | | | |
| Borrowing (non current) | Carried at amortised cost | 50,68,83,508 | 50,68,83,508 | 3,76,17,493 | 3,76,17,493 | 7,12,32,520 | 7,12,32,520 |
| Others liabilities (non current) | Carried at amortised cost | 55,47,81,294 | 55,47,81,294 | 83,14,39,443 | 83,14,39,443 | 76,10,29,617 | 76,10,29,617 |
| Borrowing (current) | Carried at amortised cost | 71,41,25,335 | 71,41,25,335 | 1,06,75,85,117 | 1,06,75,85,117 | 1,33,79,65,652 | 1,33,79,65,652 |
| Trade Payables | Carried at amortised cost | 9,90,001 | 9,90,001 | 2,97,50,512 | 2,97,50,512 | 5,42,21,812 | 5,42,21,812 |
| Others liabilities (current) | Carried at amortised cost | 10,48,95,273 | 10,48,95,273 | 6,96,68,663 | 6,96,68,663 | 7,79,32,956 | 7,79,32,956 |

Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**40. Financial risk management objectives and policies**

Sugar industry being an industry which is cyclical in nature, the company's operational activities are exposed to various financial & operational risks, such as economical & political risk, market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise appropriate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives.

A Market Risk

Major market risk which the company has is the selling prices of its mainstream product i.e. sugar. Market demand supply plays a very much dominating role with strong outcomes in both the situations i.e. over production & under production. Sugar industry being cyclical in nature, the company is exposed to sugar market price risk in respect of the inventories held at the year-end as any decline in prices below the carrying cost inflicts losses to the Company. However, the Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

B Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay, resulting in financial loss to the Company. The Company is exposed to credit risks from its operating activities, primarily trade receivables. Since there is a blend of institutional & non institutional buyers with the company and also considering the fact that major sales gets effected after receipt of advance from the customers, the credit risks in respect of trade receivables is minimized.

Table hereunder provides the data with regard to trade receivables and its ageing.

| Trade Receivables | More than 6 months | Less than 6 months | Total |
|-------------------|--------------------|--------------------|--------------|
| AS at 31.03.2021 | - | 31,75,51,869 | 31,75,51,869 |
| AS at 31.03.2020 | 2,16,925 | 23,60,71,241 | 23,62,88,166 |
| AS at 31.03.2019 | | 19,75,08,661 | 19,75,08,661 |

C Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities, short term loans and to reduce debts to be able to meet the cyclicalities of the sugar business.

Table hereunder provides the current ratios of the Company as at the year end

| Particulars | As at 31.03.2021 | As at 31.03.2020 | As at 31.03.2019 |
|---------------------------|------------------|------------------|------------------|
| Total current assets | 161,19,18,064 | 148,28,27,905 | 184,44,44,290 |
| Total current liabilities | 86,29,05,463 | 123,16,81,399 | 152,58,94,896 |
| Current Ratio | 1.87 | 1.20 | 1.21 |



| Particulars | Payable on demand | Less than 1 year | More than 1 year | Total |
|---------------------------------|-------------------|------------------|------------------|----------------|
| I As at March 31, 2021 | | | | |
| Borrowings | 56,16,64,994 | 15,24,60,341 | 50,68,83,508 | 1,22,10,08,843 |
| Other financial liabilities | | 10,48,95,273 | | 10,48,95,273 |
| Trade and other Payables | | 3,80,04,710 | | 3,80,04,710 |
| II As at March 31, 2020 | | | | |
| Borrowings | 98,75,85,117 | 8,00,00,000 | 3,76,17,493 | 1,10,52,02,610 |
| Other financial liabilities | | 6,96,68,663 | | 6,96,68,663 |
| Trade and other Payables | | 9,00,71,007 | | 9,00,71,007 |
| III As at March 31, 2019 | | | | |
| Borrowings | 98,79,65,654 | 34,99,99,998 | 7,12,32,520 | 1,40,91,98,172 |
| Other financial liabilities | | 13,73,16,391 | | 13,73,16,391 |
| Trade and other Payables | | 10,03,26,426 | | 10,03,26,426 |

D Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regard to interest expenses to manage the interest rate risk, treasury department performs a comprehensive corporate interest rate risk management strategy.

| Particulars | Variable rate borrowing | Total borrowings |
|----------------------|-------------------------|------------------|
| As At March 31, 2021 | 1,87,45,42,178 | 1,87,45,42,178 |
| As At March 31, 2020 | 1,99,60,25,487 | 1,99,60,25,487 |
| As At March 31, 2019 | 2,24,81,60,745 | 2,24,81,60,745 |

| Sensitivity on variable rate borrowings | Impact on statement of profit & loss account | | |
|---|--|---------------|---------------|
| | March 31,2021 | March 31,2020 | March 31,2019 |
| Interest rate increase by 0.25% | 46,86,355 | 49,90,064 | 56,20,401 |
| Interest rate decrease by 0.25% | 46,86,355 | 49,90,064 | 56,20,401 |

41. Impairment Review

Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

Key assumptions used in value-in-use calculations are:-

- (i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

42. Events occurring After the Balance Sheet date : No such events occurred

43. Previous year's figures are regrouped, rearranged or rounded-off wherever necessary and practicable to necessitate comparison and for lucid presentation.