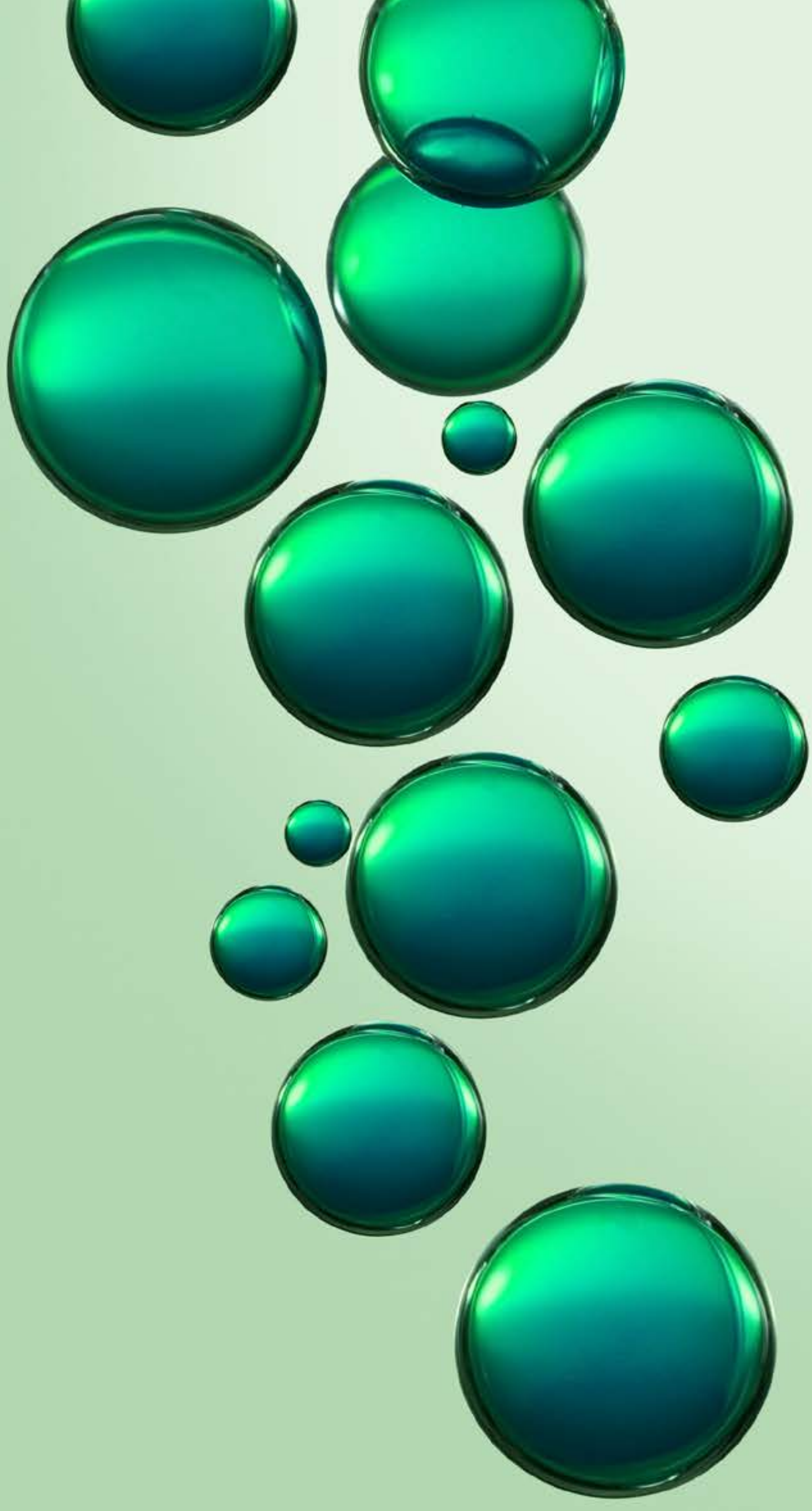
dhampur



Ethanolisation

Dhampur Sugar Mills Limited | Annual Report 2020-21

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Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report contains statements – written and oral – that we periodically, 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects' believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Ethanolisation

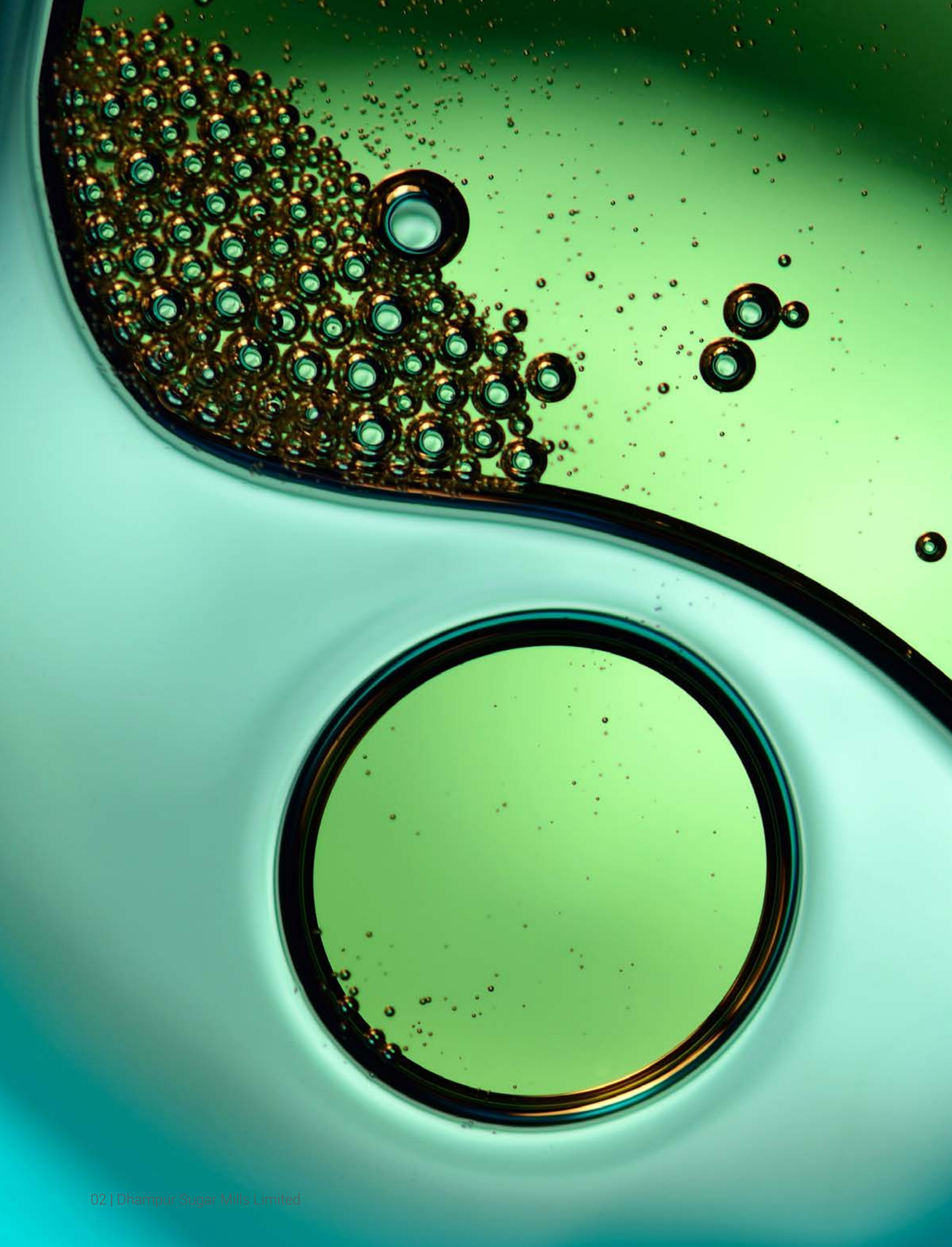
For the last number of years, Dhampur has been a well-diversified sugar company.

The time has come for the Company to make a decisive change in its personality.

The Company has embarked on the increased manufacture of ethanol, which will strengthen the non-sugar proportion of its revenues.

This investment is expected to reduce the exposure of the Company to cyclicality, moderate liabilities, enhance margins and strengthen cash flows.

This investment could represent the inflection point that accelerates the Company's transformation into a dynamic biofuel and energy company across the foreseeable future.



Dhampur is at an inflection point.

The Company is evolving from a pre-dominant sugar company into an energy company.

Growing revenues from ethanol and generating sizable revenues from co-generation.

Broadbasing its relevance in a growing, self-dependent and dynamic India.

1

Our values framework

Our vision
Innovate and optimise for the benefit of all stakeholders.

Our mission
Making a positive contribution to the environment we operate in.

Professionalism
Integrity: Trusted partnership

Commitment: Be responsive

Accountability: Take ownership

Passion to excel
Determination: Lead change and walk the extra mile for value adding team

Work: Build strength through a shared vision

Learning & Innovation: Innovate through learning

Respect
Diversity & Inclusiveness: Provide equal opportunity

Value time: Punctuality in all areas

Humanity: Be sensitive and generate energy

Act responsibly
Business Ethics: Apply ethical principles

Corporate Citizenship: Fulfil social, economic & legal responsibilities

Corporate Governance: Drive fairness, accountability, responsibility and transparency

2

Where we come from and what we do

Dhampur Sugar Mills Limited is a prominent player in India's organized sugar business.

The Company was founded by Lala Ram Narain in 1933 with a cane crushing capacity of 300 Tonnes per day. The Company has five production facilities in Uttar Pradesh (Dhampur, Asmoli, Meerganj, Rajpura and Mansurpur) with an aggregate manufacturing capacity of 45,500 TCD.

The Company is one of India's oldest integrated sugar companies (engaged in sugar, ethanol and chemicals manufacture at one end and power generation at the other).

3

What we aim to achieve

- To maintain core competence in sugar production in the most efficient way and the production of allied products through the optimum utilization of by-products
- Sweat our resources more effectively and efficiently
- Recruit and retain skilled and experienced human capital
- Building business around sound governance
- Build the community in the areas of our presence

4

What validates our sustainability

Dhampur generates byproducts from sugar production (bagasse and molasses) that serve as raw material for two businesses i.e. distillery and power generation. The Company's diverse product basket has broadened its risk profile and enhanced stability.

Sugar	Power	Chemicals
Refined sugar	Power generation	Ethanol
White sugar		Ethyl acetate
Branded sugar		Country liquor
Raw sugar		Hand sanitizers
		Other allied products

5

How much we are equipped to produce

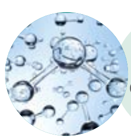
The Company's integrated facilities are equipped with a cane crushing capacity of 45,500 Tonnes per day. Dhampur's distillery possesses a capacity of 400 Kilo litres per day with100 KLPD under implementation; the power co-generation segment comprises 216.5 megawatts.

Capacity	Consolidated	Dhampur	Asmoli	Rajpura	Mansurpur	Meerganj
Sugar crushing (TCD)	45,500	15,000	9,000	8,500	8,000	5,000
Sugar refinery (TPD)	1,700		900		800	
Renewable energy (MW)	216.5 (surplus: ~125)	73	43.5	48	33	19
Distillery (KLPD)	400	250 (including country liquor)	150* (including Hand Sanitizers)	Molasses supplied to Dhampur and Asmoli distilleries		

*100 KLPD under implementation

6

What we earn from where

	Revenue (₹ Crore)*		PBIT (₹ Crore)	
	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21
 Sugar	2635.94	3245.54	126.68	120.62
 Power	105.98	108.71	115.75	122.21
 Distillery/ chemicals	630.99	843.12	130.59	199.82

* External revenues

How we have grown over the years

1933
Sugar mill established at Dhampur

1987
Leased a sick sugar unit at Mansurpur (1800TCD)

1995
Distillery in Dhampur with 100 KLPD

2004
- Expanded Mansurpur sugar crushing capacity to 6000 TCD
- Increased Dhampur distillery capacity to 140 KLPD

2006
Raised USD53.7 Million through GDR

2007
Installed multi-fuel high pressure boilers (105 kg/cm2 and 170 Tonnes/hour) at Dhampur and Asmoli

Greenfield sugar unit at Rajpura (7500TCD)

Installed co-generation plants - Dhampur (65 MW), Asmoli (40 MW), Mansurpur (28 MW) and Rajpura (12 MW)

Installed distillery in Asmoli (100 KLPD)

2008
- Expanded sugar crushing capacities - Dhampur to 15,000 TCD, Asmoli to 9000 TCD and Mansurpur to 8000 TCD
- New sugar refinery at Asmoli (900 TPD))
- Increased Dhampur distillery capacity to 170 KLPD

2011
Increased co-generation capacity at Mansurpur to 33 MW

2012
Installed bagasse dryers at Dhampur

2013
- Merged JK Sugar Mills (now called Meerganj unit) with 5000 TCD sugar and 19 MW power capacities
- Increased Dhampur distillery capacity to 200 KLPD

2014
- Expanded Rajpura sugar crushing capacity to 8500 TCD
- Co-generation plant at Rajpura (48 MW)

2015
Commissioned spent wash fire boilers

2018
Commissioned an incinerator slop boiler with 11.5 MW turbine (zero liquid discharge compliant distilleries)

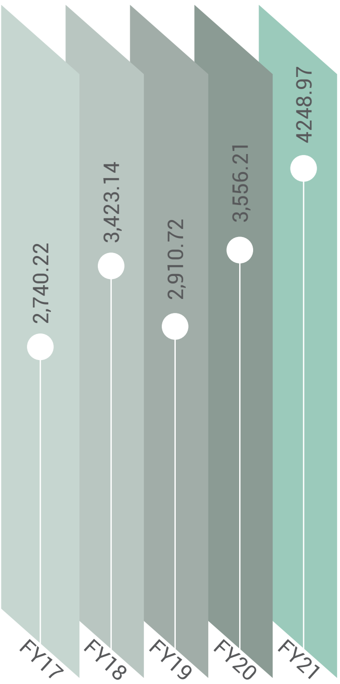
2019
Distillery capacity expanded by 100 KLPD

2020
Embarked on the production of country liquor and hand sanitizers

2021
Distillery expansion of 100 KLPD under implementation at the Asmoli unit

How we performed in the last few years

REVENUES
(₹ Crore)



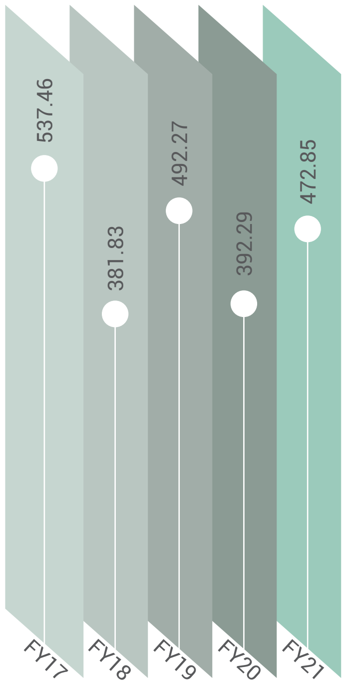
Definition
Proceeds generated from the sale of products (net of taxes) in addition to treasury income, if any

Why is this measured?
It is an index that showcases the Company's competitiveness in servicing customers with products; can also be used as an index to compare size with other companies

What does it mean?
This indicates the capacity of the Company to carve out market presence cum share, a foundation on which to amortise focused costs

Value impact
Aggregate sales increased 19% to reach ₹4248.97 Crore in FY 2020-21 due to a better sweating of assets

EBITDA
(₹ Crore)



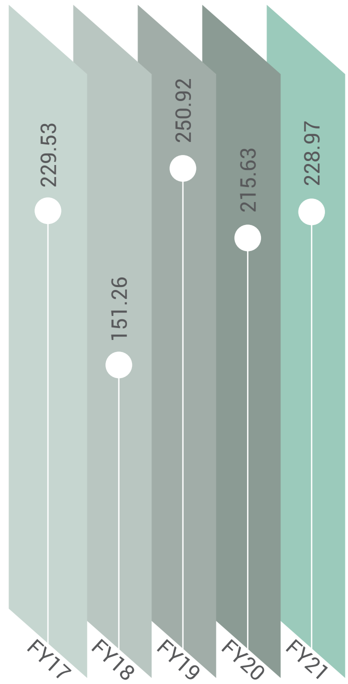
Definition
Earnings before the deduction of interest, depreciation, extraordinary items and tax

Why is this measured?
It is an index that showcases the Company's ability to generate a surplus following the expensing of operating costs.

What does it mean?
Helps create a robust growth engine

Value impact
The Company generated an attractive surplus despite sectorial challenges

NET PROFIT
(₹ Crore)



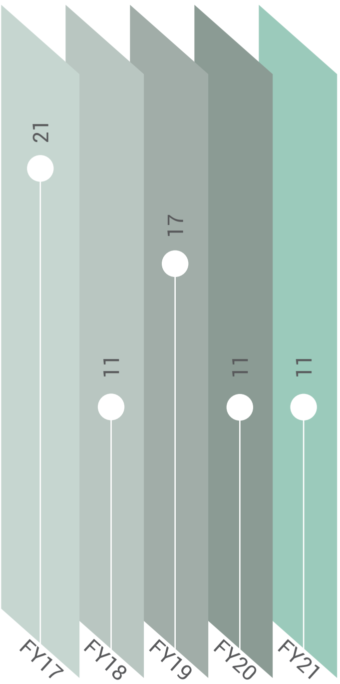
Definition
Profits earned during the year after deducting all expenses and provisions

Why is this measured?
This measure highlights the strength of the business model in enhancing shareholder value

What does it mean?
Ensures that adequate surplus is available for reinvestment.

Value impact
The Company reported a 2% increase in net profit in FY 2020-21.

EBITDA MARGIN
(%)



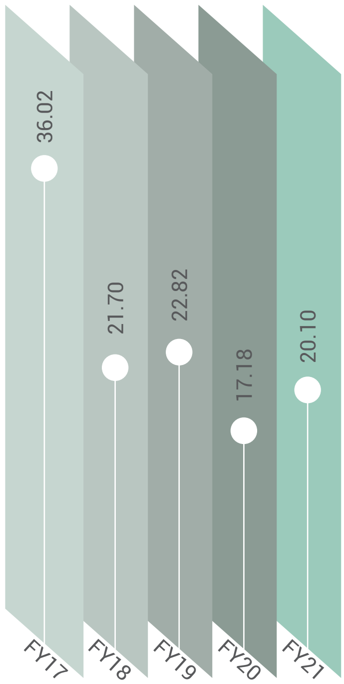
Definition
EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency

Why is this measured?
The EBITDA margin provides a perspective of how much a company earns (before deduction of interest, depreciation and taxes) on each rupee of sales.

What does it mean?
This demonstrates adequate buffer in the business expressed as a percentage, which, when multiplied by scale, enhances surpluses.

Value impact
The Company reported the same EBITDA margin during FY 2020-21.

ROCE
(%)



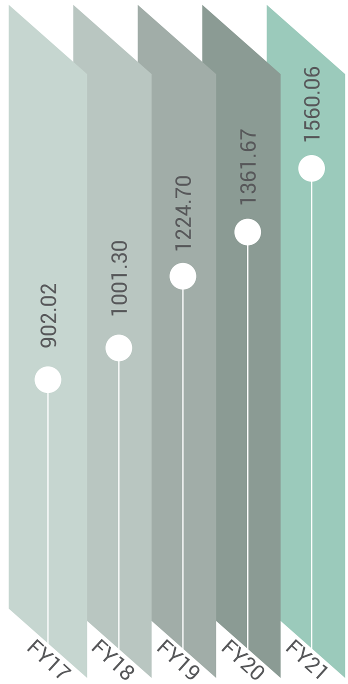
Definition
It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business

Why is this measured?
ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

What does it mean?
Enhanced ROCE can potentially drive valuations and perception.

Value impact
The Company reported a 292 bps increase in ROCE during FY 2020-21 following a better sweating of assets.

NET WORTH
(₹ Crore)



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

Why is this measured?
Net worth indicates the financial soundness of the Company – the higher the better.

What does it mean?
This indicates the extent of shareholder funds available within the Company to grow the business

Value impact
The Company's net worth strengthened attractively during the year under review.

Our performance indicators

Key financial ratios

Ratio	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
Raw material costs/Total turnover (%)	76	76	69	77	66
Overheads/Total turnover (%)	15	16	19	16	22
PBDIT/Total turnover (%)	11	11	17	11	21
Interest/Total turnover (%)	2	3	3	4	6
Interest cover (times)	4.95	3.14	4.68	2.67	3.21
PBDT/Total turnover (%)	9	8	14	8	14
Net profit/Total turnover (%)	5	6	9	4	9
Cash profit/Total turnover (%)	8	7	12	6	14
Capital output ratio (Turnover/Average capital employed) (%)	223	193	174	229	203

Balance Sheet ratios

Ratio	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
Overall debt gearing	0.73	1.27	1.49	1.45	2.04
Debt-equity ratio	0.28	0.39	0.55	0.49	0.69
Inventory turnover (days)	111	165	210	122	207
Current ratio	1.20	1.08	1.08	0.96	1.00
Quick ratio	0.37	0.31	0.30	0.22	0.21
Asset turnover (Total revenues/Total assets)	1.22	0.92	0.74	1.09	0.77

Growth

Ratio	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
Growth in turnover (%)	19	22	-15	25	16
Growth in PBDIT (%)	21	-20	29	-29	119
Growth in PAT (%)	2	-16	76	-34	815
Growth in cash profit (%)	29	-23	56	-30	145

Our multi-year operational performance

	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Sugar cane crushed (Lakh Tonnes)	80.01	69.16	69.42	66.20
Sugar produced (Lakh Tonnes)	8.51*	7.66*	7.99	7.48
Gross recovery (%)	11.71	11.94	11.87	11.30
Power generated (Crore units)	74.16	69.28	76.70	73.46
Ethanol/RS/RNA produced (Lakh BL)	1124.27	1050.77	840.94	660.40
Chemicals produced (Lakh kg)	246.04	176.39	145.47	140.70

*Net of sugar diverted for the manufacture of ethanol through the B-Heavy molasses route

At Dhampur, we intend to increase our investment in ethanol capacity with the objective to address a growing national priority, strengthen the non-sugar segment of our business and enhance overall profitability

There are a number of developments concurrently underway at Dhampur.

One part of the Company is accelerating the non-sugar business of the Company, strengthening margins and business sustainability.

There is another part of the Company that is focusing on maximizing cane output across command areas with potential.

There is one segment of the Company that is focusing completely on maximising business excellence leading to enhanced efficiencies and margins.

There is an overarching deepening of a culture of environment-social-governance, strengthening business responsibility.

How Dhampur enhanced operational efficiency through higher uptime

In a capital-intensive business like sugar manufacture, equipment uptime enhances organisational profitability.

In the past, this was an area of concern as ~10-15% of mechanical circulations and ~15-17% production machines reported repeated downtime, pulling down the organisational average.

The management at Dhampur prioritised TPM initiatives in this direction. Equipment analysis was conducted; equipment 'personalities' were mapped; corresponding maintenance initiatives were identified; robotics (introduced earlier) were strengthened; new equipment investments were made; training was intensified; a 'can-do' and 'right now' mindset became increasingly visible.

Crush rate increased across all Dhampur units, sugar quality improved, heat and steam balance strengthened and overtime hours declined.

The result is that the mantra on Dhampur's shopfloor has transformed: from 'eliminate waste' to 'find waste', leading to prospective elimination.

A small shift has made all the difference.

How Dhampur countered the lockdown and the Covid-19 threat

General response

The Indian government declared a lockdown starting March 24, 2020 that extended into the financial year under review. This covered a comprehensive closure of offices, factories and public places across India. All international, inter-state and intra-state travel was restricted and borders sealed to limit pandemic impact. However, select industries – critical to national survival – were permitted to operate, the food industry being one (including the sugar sector). The government provided extensive logistical, resource and administrative support to sustain the operations of the country's sugar sector.

Impact on Dhampur

The Company's operations were conducted without interruption in accordance with the directives issued by the Ministry of Home Affairs as the products fell under the category of essential commodities.The Company continued to operate its businesses of sugar, power co-generation and industrial alcohol (including ethanol).

How Dhampur transformed the 'How?' to 'Wow!'

When a change in the Uttar Pradesh government's policy affected the viability of co-generation plants in the state a few years ago, the principal concern at Dhampur was its effect on viability.

At Dhampur, we had two options: accept that the situation was outside our control or devise a response to protect our viability.

The team at Dhampur decided that it would do whatever it took to protect its business.

Team Dhampur focused on increasing operating efficiencies that would moderate the cost of power generation. The result was that extensive equipment analysis and maintenance were conducted. Operational glitches were addressed. HP heaters and boilers were replaced. Training sessions were conducted.

Besides, Team Dhampur made changes in its power tariff billing; by the virtue of 'exporting' power to the state electricity grid during normal hours, the Company could 'import' at normal rates during peak hours.

The combination of these initiatives was that despite a decline in power tariffs, Dhampur's co-generation business reported higher efficiency, superior fuel-steam ratio and higher co-generation profits.

Sugar

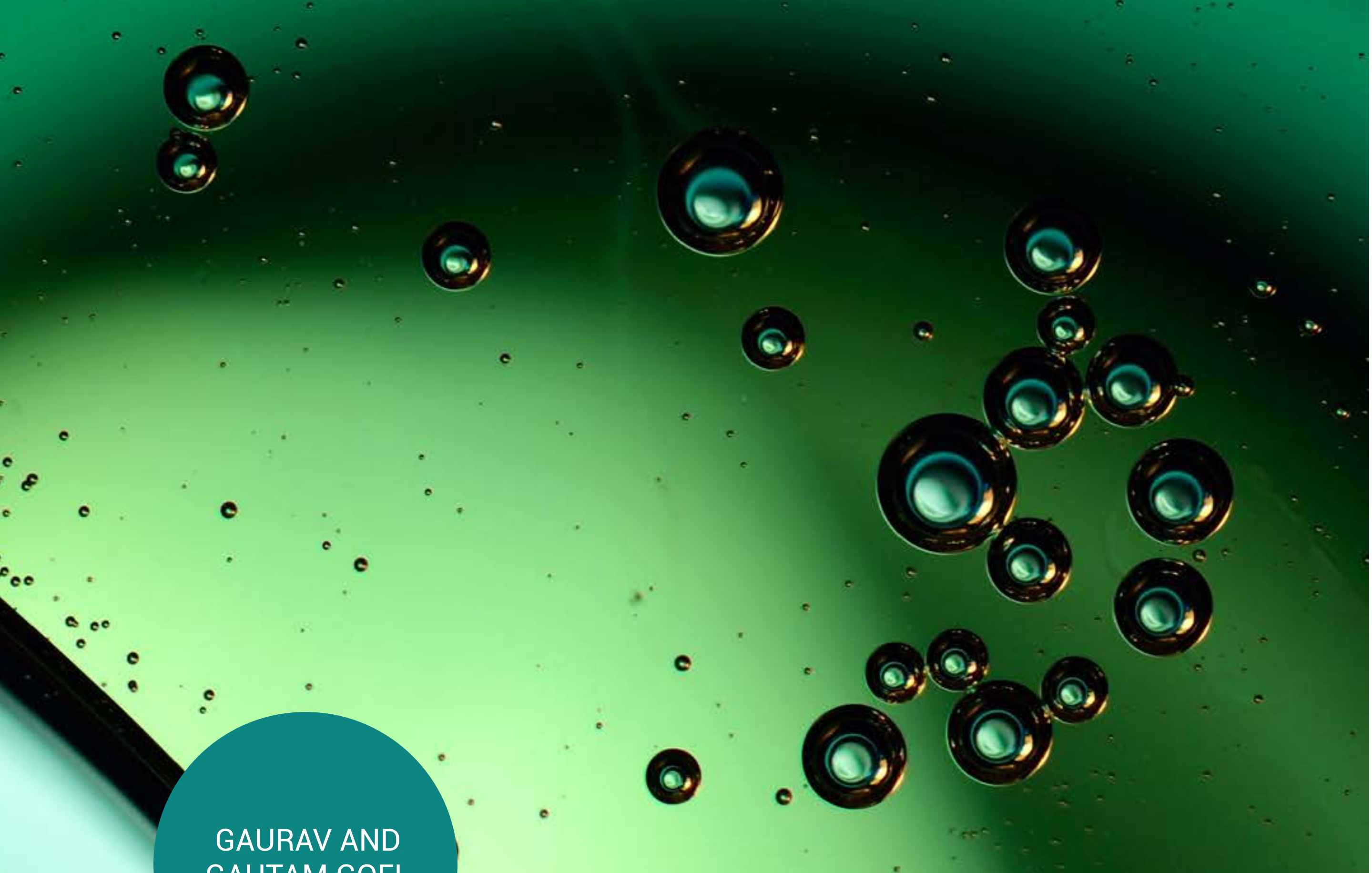
The Company's five sugar plants in Uttar Pradesh were operational throughout the period of the lockdown. The sugar cane crushing operations extended into the third week of June 2020, considerably longer than usual, as the offtake of cane for the production of gur and khandsari disappeared and was replaced with supply to the sugar sector. The result is that the Company produced 79.69 Lakh quintals of sugar across 189 operational crushing days of the 2020-21 sugar season compared with 83.94 Lakh quintals of sugar across 199 operational crushing days of the 2019-20 sugar season. Demand for sugar was moderated on account of the closure of confectionery outlets and the organized food processing sector. The average realisation of sugar during the first quarter of FY 2020-21 was 0.46% lower than the average realization during the corresponding quarter of FY 2019-20. The average realization for the year under review was ₹32.61 per kg compared with ₹32.66 per kg in FY 2019-20.

Distillery

Both distilleries continued operations during the lockdown period and were not disrupted. The distillery output comprised ethanol and chemical. The average ethanol realization during the first quarter of the year under review (largely a lockdown period) was ₹52.08 per litre compared with ₹46.14 per litre during the corresponding period of FY 2019-20. Besides, the Company embarked on the manufacture of sanitisers during the year under review, widening its portfolio without significant capital expenditure.

Co-generation

The Company's five co-generation plants remained operational during the period of the lockdown. The average per unit realization of co-generated power during the first quarter of the year under review (largely a lockdown period) was ₹3.16 compared with ₹5.18 per unit during the corresponding period of FY 2019-20, following tariff revision by the Uttar Pradesh government.



GAURAV AND GAUTAM GOEL
Managing Directors

Strategic overview by the Managing Directors

Banking on ethanol

Overview

The last couple of years have been seminal for the sugar industry in India.

The reason why the years have been a watershed is because despite stable cane and sugar realisations, there has been an improvement in performance, going contrary to the conventional perspective that any improvement would need to be derived from an increase in the realisations of our principal product (sugar).

This watershed could not have been a reality but for the timely intervention of the Central and State governments. The Indian government has been responsible for one of the most encouraging forward-looking policies for the country's sugar sector. The long-term direction provides the industry with policy visibility, concessional government funding, buyback and remunerative realisations, leaving adequate value on the table for companies to reinvest in their businesses.

During the financial year, average sugar realisations were ₹32.61 per kg compared with ₹32.66 per kg in FY 2019-20. Despite steady sugar realisations, the Company reported a 20% growth in revenues, and 2% growth in profit after tax.

The principal message we would like to send out to our stakeholders is that we are progressively decoupling our company's fortunes from the performance of our sugar cyclicality; we are broadbasing as an organization; we are graduating from a narrow description of being a 'sugar company' to a wider reference of being a 'sugar-derived energy organisation'.

We believe that this broadbasing is linked to our ability to enhance stakeholder value, enhance business sustainability and deepen our role as a responsible corporate citizen.

The government's role

This transformation in Dhampur's progressive decoupling and enhanced sustainability is the result of forward-looking government reform.

The Indian government has taken a positive pro-stakeholder approach that has proved win-win for all connected with the Indian sugar sector.

The government permitted the export of sugar that moderated the surplus within the Indian market, which arrested the decline in sugar realisations and resulted in a fair remuneration to millers.

The government resisted the conventional practice to increase cane prices payable by mills to farmers year after year, consequently maintaining stable sugar prices and viable operations of sugar sector.

The government announced a Biofuel Policy that empowered integrated sugar companies to manufacture ethanol directly from sugar cane juice and from molasses through the B Heavy route. The government drew out a long-term direction related to the quantum of ethanol it would procure, the price it would pay and the speed with which it would remunerate, inspiring the first round of investments in the sector in years. As things stand at the time of writing, the sector is attractively placed to make a significant ethanol capacity addition, moderate the country's carbon footprint and strengthen its Balance of Payments.

How Dhampur will capitalize

A number of stakeholders have asked: 'How will Dhampur capitalise on the sectoral watershed?'

Dhampur intends to do so through four initiatives.

> Dhampur will invest judiciously in the ethanol business, either through a timely 'sacrifice' of sugar production when sugar realisations are low (and vice versa) as well an expansion by 100 KLPD.

One, Dhampur will seek to generate more cane from its command areas (especially Asmoli, Rajpura and Meerganj) that will be crushed in existing capacities.

Two, Dhampur will enhance operating efficiencies without significant investments, strengthening its Return on Capital Employed,

Three, Dhampur will invest judiciously in the ethanol business, either through a timely 'sacrifice' of sugar production when sugar realisations are low (and vice versa) as well an expansion by 100 KLPD that is likely to be commissioned by the start of the 2021-22 sugar season.

Four, Dhampur will seek to deleverage, reducing long-term and short-term debt on the one hand and strengthening credit-rating on the other.

Desired outcomes

We believe that the complement of these initiatives will make it possible for the Company to significantly grow the quantum of cane crushed in five years.

Besides, these initiatives will enable the Company to broad base its business, increase the proportion of revenues from its energy vertical, reduce dependence on the cyclical sugar business, enhance business sustainability and stakeholder value.

Post-Balance Sheet development

The Board of Directors of the Company, in its meeting on June 07, 2021, approved a Scheme of Arrangement for demerger of the business units of Asmoli, Mansurpur and Meerganj into Dhampur Bio Organics Limited, The Resulting Company, which shall be listed on the stock exchanges, with a mirror shareholding. The Company has filed the application with BSE Limited and National Stock Exchange of India Limited and upon receipt of a no-objection certificate from the stock exchanges, the demerger scheme shall be filed with National Company Law Tribunal, Allahabad Bench. We believe that this proposed demerger will ensure depth and focus to adopt strategies necessary for growth, unlocking shareholder value with direct ownership and attracting focused investors in each business entity.

What Dhampur was

- Relatively high debt on the books
- Higher sugar weightage in the business model
- Moderate distillery role in the Company's profitability
- High working capital intensity in operations
- Distillery and co-generation treated as by-products
- Cash-intensive investment in sugar operations
- Low flexibility in moving from one product to another
- Low dependence on branded sugar sales
- Reliance on industry experience and knowledge

What the reinvented Dhampur is

- Negligible debt on the books
- Relatively lower sugar weightage in the business model
- High distillery role in the Company's profitability
- Declining working capital intensity in operations
- Sugar progressively emerging as a by-product
- Liability-light intensive investment in sugar operations
- High flexibility in moving from sugar to ethanol
- High exposure to branded sugar revenues
- Growing exposure to modern management practices

At Dhampur, we don't just manufacture products. We grow people instead

"I began as Project Engineer at Dhampur in 1994, promoted to Senior Project Engineer to Project Manager and then GM – Projects, then Senior General Manager and now Head, IT. We started DOS space programming; today we are on to Cloud with 40 applications, SAP, ERP and AWS platforms. What's the best thing about Dhampur? It provides complete freedom, which includes the room to make mistakes and grow. This is why one has stayed on at Dhampur for more than two-and-a-half decades. The reason is one word: Trust."

Monika Sharma,
Functional Head-IT

"I started at Dhampur as an Executive Assistant to the Managing Director in 1993. Today, I am the Assistant Vice President – Co-ordination. I owe this growth to the sheer breadth of learning opportunities. Over nearly three decades, Dhampur has entrusted me with a range of responsibilities including facilities management, website development, event and media management, international joint venture projects and innumerable negotiations. I remain convinced that Dhampur has provided, and will continue to provide, the best career opportunities."

Banita Sinha,
Assistant Vice President (Co-ordination)

"What makes Dhampur different from most companies is its commitment to research. We engage with premier research institutions. In one such project we converted effluents into hydrogen and methane, the only sugar company in India to do so. Much of this DNA has been derived from our Chairman Mr. Vijay Goel."

Gajendra Singh,
Section Head Quality Control Manager, R&D

"I was placed in Dhampur as a Graduate Engineer Trainee in June 2019. Most people felt it would be an unusual career choice for a woman. I was the only woman in the sugar plant, working in the night shift. My seniors were supportive and I was appointed Assistant Engineer Co-generation in July 2020. The result is that I am often entrusted with critical projects. I couldn't have got these experiences elsewhere."

Manisha Singh,
Assistant Engineer
Co-generation, Dhampur plant

"As Assistant Officer (Human Resources), I was asked to enhance safety awareness for plant workers and office employees. Today, all our workers use helmets and safety gear. During the Covid-19 pandemic, the management motivated me to organise awareness campaigns and distribute masks and soap among workers. The result is that we commissioned a sanitisation tunnel and sanitizer disposal machines in our plants that maximized employee safety."

Karan Bora,
Assistant Officer, Human Resources and Admininstration

Sectorial review

How the national sugar sector is playing out ...and how Dhampur intends to capitalise

Overview

The performance of Dhampur is largely influenced by the fortunes of the sugar industry (including related ethanol and cogeneration). Over the years, the Company broadbased its business with the objective to moderate the impact of this cyclicality – resist the downtrend and capitalize on the upside.

Government engagement

Some of the cyclicality of the Uttar Pradesh sugar industry was on account of the government's intervention in terms of fixing cane prices payable by millers to farmers, levy price and the sugar release mechanism. Subsequent industry reforms have helped strengthen the sector, including the provision of a minimum support price, National Biofuel Policy, automotive fuel blending with ethanol, growing ethanol offtake, attractive ethanol pricing and concessional debt for ethanol capacity investors. In the existing environment, the government's policies related to exports, minimum support price and other interventions have helped enhance sectorial stability.

Production

India produced 30.8 Million Tonnes of sugar in the sugar season 2020-21. This was 13% higher than what the country had produced in the previous season (until that date). During the 2019-20 sugar season, sugar production was affected by the Covid-19 pandemic. During the complete lockdown, the informal sector (gur and khandsari manufacturers) discontinued operations, which put a premium on the organized sector to consume whatever came it was offered. The result is that some companies sustained cane crushing into late June 2020, resulting in a 230-day season, the longest in years.

The country commenced the 2020-21 sugar season with an opening stock of 10.7 Million Tonnes (previous year 14.5 Million Tonnes). To this opening stock, the country is expected to add 30.8 Million Tonnes (following diversion to ethanol manufacture through the B Heavy route.)

Consumption

India is the largest sugar consuming country. Sugar is used as a sweetener and preservative agent. India enjoys an extensive sugar tradition across festivals and personal celebration. During the year under review, food consumption was affected during the first quarter on account of the lockdown. During the subsequent quarters, consumption improved month-on-month; the country is estimated to consume 25.5 Million Tonnes of sugar during the SS 2020-21.

Export

During the last couple of years, the Company permitted the export of sugar with the objective to moderate the large national surplus. The government permitted the export of 6 Million Tonnes (largely achieved) and announced another export tranche of 6 Million Tonnes for the 2020-21 sugar season. Record New York sugar futures facilitated the evacuation of surplus sugar from India at remunerative prices to the international markets.

Sugar pipeline

The flexibility to manufacturers to sacrifice sugar output in favour of ethanol as well as the export of surplus sugar helped moderate the sugar inventory within the country. The country had opened SS 2020-21 with a stock of 10.7 Million Tonnes; the country is expected to close the season with 10.0 Million Tonnes as per industry observers – equivalent to four-and- a- half months of national consumption.

Sugar realisations

The decline in national sugar inventory is expected to stabilize sugar realisations across the foreseeable future, providing manufacturers with a moderate return and incentivizing a movement away to the manufacture of ethanol. As sugar 'sacrifice' accelerates and the country moves to an inventory pipeline equivalent to three months of consumption, sugar realisations can improve.

Dhampur's response

As a Company keen to balance stability with opportunity-preparedness, Dhampur embarked to commission 100 KLPD of additional ethanol manufacturing capacity, starting SS 2021-22. This will help replace surplus sugar from its product mix; the proportion of revenues derived from ethanol is expected to increase, strengthening profitability.

How our business has been structured around competitiveness

Dhampur has invested in its business with the objective to emerge as a dependable partner

COMPETITIVE MANUFACTURING CAPABILITIES

- Abundant cane availability
- Adequate scale
- Improving asset utilization
- Competitive manufacturing costs

+ INTEGRATED MODEL +

- Broadbased portfolio value
- Captive byproducts use
- Integrated value-chain
- Fungible capacities
- Opportunity maximization

+ STRENGTHENING PROFITABILITY +

- Declining receivables cycle
- Growing cash flows
- Concessional debt
- Accrual-driven reinvestment (now)
- Improving RoCE

+ ENVIRONMENT COMPLIANCE +

- Integrated model
- High priority
- Process-driven compliance
- Investment in HSE assets

One of India's most attractive integrated sugar companies

Benefiting the partner eco-system

Shareholders

- Improving profitability
- Strengthening market capitalization
- Declining long-term debt

Customers

- Dependable partner
- Quality products and service
- Accessibility, availability and affordability

Employees

- Stable employment
- Extensive domain knowledge
- Merit-respecting workplace

Communities

- Local recruitment
- Environmentally safe operations
- Engaged in community welfare

Government

- Contribution to exchequer
- Driving employment
- Safe and sustainable operations

Our Integrated Value-Creation Report

The context of our sector

Rising population

By 2027, India is projected to overtake China as the world's most populous country. India is adding nearly 15 Million people to its population every year, the largest annual increment anywhere. This will ensure that the Company's addressable market will grow sustainably.

Per capita incomes

India reported a year-on-year growth in incomes – from ₹83,091 in FY 2014-15 to ₹1,08,620 in FY 2019-20 with a marginal decline in 2020-21 (that is expected to correct in 2021-22)

FMCG driven

Low per capita beverage consumption in India compared to global average is expected to provide room for growth.

Government interventions

The thrust of the government on ethanol production through the new Bio-fuel Policy is revolutionising the sector as the excess sugar can be diverted into ethanol production.

Preference for value-addition

The increasing demand for value-added products is giving rise to packaged products.

How we enhance value

Our resources

Financial capital

The financial resources that we seek are based on the funds we mobilize from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.

Manufactured capital

Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.

Human capital

Our management, employees and contract workers form a part of our workforce, the experience and competence enhancing value.

Natural capital

We depend on raw materials sourced from nature, indicating a moderate impact on the natural environment

Intellectual capital

Our focus on cost optimization and operational excellence, as well as our repository of proprietary knowledge, account for our intellectual resources.

Social and relationship capital

Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.

Our value-creation strategy

STRATEGIC FOCUS	INNOVATE AND EXCEL	COST LEADERSHIP	SUPPLIER OF CHOICE	ROBUST PEOPLE PRACTICES	RESPONSIBLE CORPORATE CITIZENSHIP	VALUE-CREATION
Key enablers	Nurturing a culture of process innovation and end product excellence, reflected in improving cane yields at the farmer end, increasing sugar recovery, high sugar/ chemical/ refined sugar quality	Driving a focus on operational excellence leading to cost leadership. Dhampur leveraged its rich experience to make timely investments in process automation, coupled with a growing focus on business excellence (Total Productive Maintenance) and better asset sweating	The Company strengthened its position as a supplier of choice across each of its businesses – a preferred brand among sugar dealers, distributors and institutional clients as well as a trusted ethanol provider to OMCs and power supplier to grid	The Company is an employer of more than 2800 people (full-time and contractual) across its facilities. The Company's people engagement has been marked by delegation, empowerment, responsibility and accountability. The result is that Dhampur's invigorating workplace is marked by training, engagement, appraisal transparency, attractive reward and outperformance	The Company is a responsible corporate citizen engaged in community development in the hinterland of its manufacturing facilities. The Company invested ₹8.32 Crore in CSR activities in 2020-21	The Company enhances value through the manufacture of a superior quality of sugar/ chemicals, high asset sweating and high utilization of a cane stick. Besides the Company invested in high governance standards, resulting in strategic stability, coupled with investments in business automation and systems
Material issues addressed	Superior use of cutting-edge technology leading to product differentiation and corporate respect	Creating the basis of long-term viability through a market cost competitiveness	Enhancing revenue visibility through ongoing customer agreements	Creating a professional culture seeking overarching excellence in everything the Company does	Community engagement, widening prosperity	Shareholder's needs varied warranting a diverse value-enhancing response
Capitals impacted	Manufactured, Intellectual, Financial	Financial, Intellectual, Natural, Social and Relationship	Intellectual, Manufactured Social and Relationship	Intellectual, Human Relationship, Natural	Social and Relationship, Natural	Intellectual, Manufactured, Social and Relationship

Engaging our stakeholders

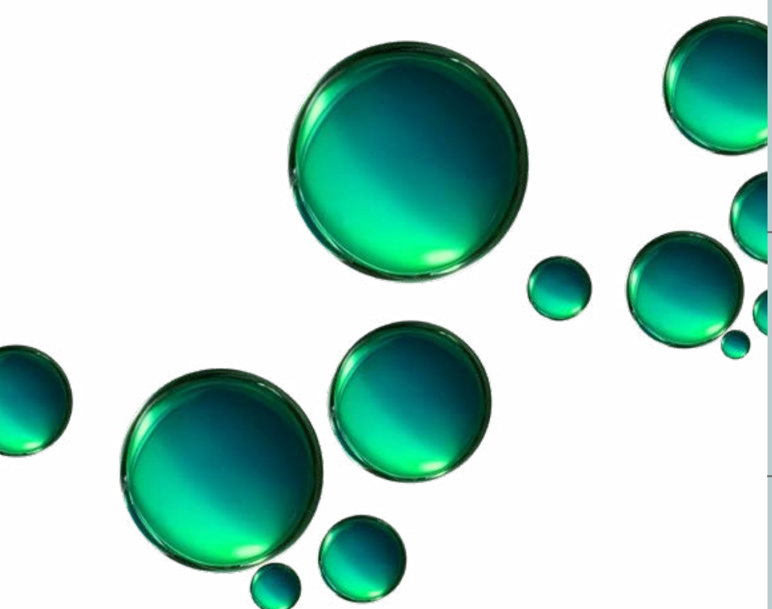
We recognize the importance of fostering and maintaining strong relationships with key stakeholders through transparent, sincere and effective engagements. We are intent on improving on our established credibility and rapport with them.

After a thorough consideration of Dhampur's various stakeholders, we have categorized our key stakeholders as follows:

Stakeholder group	Dhampur considerations	Stakeholder interests	How we engage	Capitals impacted
Customers	▪ Our products are used by the masses and therefore is imperative that we provide quality sugar	▪ Quality and affordability ▪ Timely supply of reliable and consistent products ▪ Product recalls or any quality impact efficacy concerns that may arise	▪ Distributors engage with buyers and power grid operators ▪ Open communication with customers through commercial discussions and meetings	▪ Intellectual, Manufactured
Government, competent authorities	▪ Our ability to market and distribute products is dependent on marketing authorizations and regulatory approvals by the authorities	▪ Legal and regulatory compliance ▪ Social and environmental impact of operations ▪ Tax revenues and investments	▪ Regulatory compliance of manufacturing sites by regulatory authorities to audits and ensure (GMP) Good Manufacturing Practice ▪ Participation in industry bodies ▪ Reports and interactions aimed at confirming legislative cesses and regulatory compliance policies and pro-involvement in government programmes aimed at creating jobs and uplifting disadvantaged communities	▪ Manufactured, ▪ Social & Relationship, Natural
Employees	▪ Employees play a critical role in ensuring we achieve our strategic goals ▪ We need to understand the objectives, needs, challenges and aspirations of this important stakeholder group	▪ Job security ▪ Equitable remuneration performance, packages, incentives and benefits structures, diversity and inclusivity, performance skills, management development and career planning.	▪ Direct engagements by supervisors and business management. ▪ Induction and internal training ▪ Employee wellness campaigns	▪ Human, Social & Relationship
Suppliers	▪ These stakeholders play an important role in enabling us to meet our commitments to customers.	▪ Fair engagement and timely settlement terms ▪ Ongoing communication on our expectations and service levels provided fair and timely payment	▪ Conducting various training programs resolving farmers issues and providing them with the latest technologies	▪ Financial
Investors and funders	▪ As providers of capital, these stakeholders require to be kept informed of material developments impacting the group and its prospects	▪ Growth in revenue, EBITDA and returns on investment ▪ Appropriate management of working capital, expenditure capital, expenses, solvency, gearing and liquidity, dividends security over assets, ethical stewardship of investments and good corporate governanace ▪ Fair executive remuneration	▪ Dedicated investor and analyst presentations, media releases, stock exchange announcements, published results, Annual General meetings, Investor relations section of the Dhampur website	▪ Financial

Enhancing value for stakeholders

SHAREHOLDERS	- Progressive dividend policy - Market capitalization growth - Focus on free cash generation - Profitable growth
PEOPLE	- Employee and vendor engagement - Promote personal and professional development - Fair and equitable wages / contracts
CUSTOMERS	- Enhancing customer competitiveness - Quality products - Collaborative product development
COMMUNITIES	- Environmentally safe operations - Responsible and ethical conduct - Corporate social responsibility
SOCIETY	- Contribution to exchequer - Driving employment - Skilling people
ENVIRONMENT	- Environmentally responsible and compliant operations - Proactive investment in renewable energy and recycled raw material - Moderated carbon footprint



The value we created in 2020-21

		Value shared with
FINANCIAL CAPITAL	• Earnings per share: ₹**34.52** • Market capitalisation (as on March 31, 2021): ₹**1,214.89 Crore**	**Investors:** The Company enriched investors through dividends and capital appreciation.
MANUFACTURING CAPITAL	• Revenues earned from the manufacture of sugar: **₹3,723.49 Crore** • Revenues earned from the manufacture of ethanol: **₹844.54 Crore** • Revenues earned from the sale of power: ₹**371.51 Crore**	**Suppliers:** The Company sourced **₹2,591.03 Crore** of cane from cane farmers.
HUMAN CAPITAL	• Employees: **2,806**	**Employees:** The Company provided remuneration worth **₹147.11 Crore**.
INTELLECTUAL CAPITAL	• Cumulative senior management experience: **496 person years**	**Customers:** The Company manufactured sugar, ethanol and power, generating ₹**4,231.50 Crore** in revenues from customers.
NATURAL CAPITAL	• Cogenerated power produced : **74.16 Crore units** • Quantity of ethanol sold for blending with petrol: **989 Lakh BL**	**Government and regulations:** The Company paid ₹**324.06 Crore** to the exchequer.
SOCIAL AND RELATIONSHIP CAPITAL	• Number of cane growers associated with the Company: **261,140**	**Distributors and suppliers:** The Company enhanced value for cane farmers through sustained resource offtake

Value-creation

How Dhampur intends to enhance shareholder value

How we enhanced our valuation

CAPITAL APPRECIATION	RELATIVE OUTPERFORMANCE
549.36 ₹ Crore, market capitalization, March 31, 2020	**404** % growth in market valuation (from April 01, 2015 to March 31, 2021)
1,214.89 ₹ Crore, market capitalization, March 31, 2021	**75.19** % growth in BSE Sensex (equivalent period)

Overview into our value-accretive business model

India is strengthening its sugar industry with the objective to graduate it to the position of a rural socio-economic driver on the one hand and evolve its personality towards energy creation on the other.

This evolution is being driven by government reform and support, encouraging sugar companies to reinvest in their businesses and capitalize on the transformation.

Dhampur has created a validated value-accretive model: profitable business coupled with projected investment (and growth). The Company's business model is marked by a combination of three businesses – one market-facing (sugar), the other less market-facing and hence more stable (ethanol) and the third completely stable and annuity (co-generation).

Dhampur intends to grow each business by volume and value, providing the organization with the necessary critical mass that makes it possible to grow topline, moderate costs, enhance surpluses and strengthen stakeholder value.

The Company grew largely through debt across the last decade, which is now expected to translate into superior shareholder value as the Company deleverages on the one hand and its invested assets begin to deliver enhanced revenues. The Company is attractively placed to maximize the profit value of its earnings with an increase in every rupee per unit of sugar or ethanol or power realizations, strengthening earnings per share.

How we intend to enhance shareholder value

Capacity balance	Sustained cane development	Superior asset sweating	Increased ethanol capacity
Attractive debt mix; moderated debt; lower cost	Operational excellence	Protected annuity income	Value-addition
Explore acquisitions	Invest in responsibility	Protect sustainability	Probable share buyback

1 Capacity balance

The Company will continue to balance its integrated capacities – cane availability, cane crushing, distillery and co-generation – that increases the utilization of byproducts. The Company believes that optimal returns are generated through the balance of various inter-linked capacities – adequate cane crushing capacity generating just the right economies to be equivalent to the downstream capacities commissioned for the manufacture of chemicals or co-generation capacity. The result is that the Company does not need to access additional resources (molasses or bagasse) from external providers, generating an attractive return on gross block.

2 Sustained cane development

The Company recognises that the building block of all growth in the sugar industry is access to a growing volume of cane from within existing command areas and promote the early maturing cane variety. The key to a progressively larger cane access lies in patient engagement with farmers in convincing them to plant more cane, demonstrating the use of superior cane varieties (higher yield and hence higher income), timely growing support (provision of seeds, fertilisers and crop protecting agents) and prompt payment. Over the years, Dhampur has deepened the culture of cane growing by playing the role of friend, philosopher and guide. Going ahead, the objective is to explore the available headroom for incremental cane planting in three units (Meerganj, Asmoli and Rajpura), which should increase capacity utilization at those units and accelerate overall revenue growth.

652.6
Lakh quintals, cane crushed
FY 2010-11

483.1
Lakh quintals, cane crushed
FY 2015-16

800.1
Lakh quintals, cane crushed
FY 2020-21

3 Superior asset sweating

The Company intends to freeze major capital expenditure, maximizing asset productivity through efficiency-enhancing measures like TPM, technology and stronger workflows. The Company is focusing on sweating the crushing capacity across all its units through nominal equipment investments and superior operating practices. The Company operated its sugar units at a capacity utilization of 84% and distillery at 95% during the year under review. There will be an emphasis on crushing for around 200 days each sugar season. Any increase in capacity utilization leads to higher output and revenues. In turn, this makes it possible for us to amortise fixed costs and generate superior economies of scale. In our experience, an increase in capacity utilisation is RoCE-accretive, enhancing organizational value.

4 Increased ethanol capacity

The government support provided for the manufacture of ethanol, with the objective to blend with petrol, moderate vehicle emissions, reduce oil import and reduce national carbon intensity, has helped Dhampur create a sizable ethanol manufacturing capacity. The Company will enhance ethanol output through the B-Heavy route and cane juice route. This is a value-accretive space on account of the government's vast ethanol appetite that is larger than the industry's capacity to provide (seller's market), attractive remuneration that is unlikely to be altered and superior terms of trade (Lower receivables cycle an enhanced inflow velocity). The Company intends to increase the quantum of sugar 'sacrifice', which could enhance ethanol output. The result : larger quantum of ethanol produced by the Company for better margins and surplus.

270
KLPD, ethanol capacity,
FY 2010-11

300
KLPD, ethanol capacity,
FY 2015-16

400
KLPD, ethanol capacity,
FY 2020-21

0.36
%, sugar 'sacrifice' for ethanol,
FY 2018-19

0.86
%, sugar 'sacrifice' for ethanol,
FY 2019-20

1.07
%, sugar 'sacrifice' for ethanol,
FY 2020-21

5 Attractive debt mix, moderated debt, lower cost

The government enjoys an attractive debt mix. Nearly 8% of the Company's long-term debt comprised concessional debt accessed from the government for investment in ethanol capacity. Currently priced at 7.95%, this debt cost is lower than the prevailing cost of funds for similar-sized companies in the country. Besides, the multi-year repayment of debt is longer than the usual repayment cycle in the country, strengthening the Company's cash flows. The Company moderated debt across the years in addition to moderating the weighted average cost of debt, strengthening competitiveness. The Company intends to shift a part of the sugar production (long receivables cycle) to ethanol (short receivables cycle), strengthening cash flows.

1.10
Debt-equity ratio, FY 2010-11

1.18
Debt-equity ratio, FY 2015-16

0.28
Debt-equity ratio, FY 2020-21

6 Value-addition

The Company intends to enhance value to its produce in the following ways: production of country liquor (in response to the government mandate to supply 18% of the molasses produced by the Company to liquor manufacturers), manufacture of sanitizers and specialty chemicals (presently imported) and an increase in the manufacture of refined and packaged sugar. The Company is present in this segment in a small way and intends to scale this business to the extent of 80% of its sugar output, moderating its exposure to the commodity side of the business. We believe that this complement will extend the Company beyond the industry average, strengthening sustainability.

7 Operational excellence

We believe that sustained competitiveness is derived from the ability to enhance a culture of operational excellence. This culture is defined most accurately in three words (more from less) with downstream influences in the form of higher asset utilization, cost moderation and finding innovative solutions. The Company intends to focus on TPM to enhance operating efficiency and deepen the kaizen culture, resulting in continuous improvement.

9.87
%, EBIDTA margin, FY 2010-11

10.86
%, EBIDTA margin, FY 2015-16

11.13
%, EBIDTA margin, 2020-21

8 Protected annuity incomes

We believe that organizational stability is derived from a segment of the business that generates sustainable and predictable year-on-year revenues without being affected by market realities or factors. The Company's co-generation business is one such business where co-generated sales have been contracted for sales to the Uttar Pradesh State Electricity Board for 20 years against a pre-contracted tariff, providing long-term revenue visibility. The business provides an attractive hedge in a year marked by low sugar realisations. The Company derived lower revenues from co-generation in the year under review due to lower power tariffs.

21
% of revenues derived from annuity co-generation business, FY 2010-11

15.50
% of revenues derived from annuity co-generation business, FY 2015-16

7
% of revenues derived from annuity co-generation business, 2020-21

9 Explore acquisitions

The Company believes that prudent acquisitions can fast-track the Company's growth. **One,** an acquisition can provide access to a new (and preferably under-consumed) command area that can be leveraged to provide additional cane for the Company's growth appetite. **Two,** acquisition of an existing mill can moderate the time taken for new permissions or asset building, additional capex or project commissioning risk, a more time-effective means of growing the business. **Three,** an acquisition can often come with unabsorbed losses, a hedge against profits generated following the acquisition.

10 Invest in responsibility

At Dhampur, we follow an ESG-compliant business model that comprises robust governance, disclosures and practices that enhance systemic predictability, and responsible practices that protect the safety of the earth and communities (including zero water discharge). This extensively de-risked approach has established corporate credibility and enhanced value for all stakeholders.

11 Protect sustainability

At Dhampur, we have invested in businesses that address critical national requirements, strengthening our sustainability. We have invested in functional platforms that enhance sustainable scalability. We enjoy long-term relationships with principals. We have enhanced revenue visibility through enduring customer engagements. We possess an attractive Net debt/EBIDTA, translating into a credible credit-rating

12 Probable share buyback

The Company expects to emerge as cash-surplus across the next three years, which could lead to a probable buyback that enhances value in the hands of those who hold shares in our Company.

Business excellence

The TPM productivity journey

Overview

As external realities have become challenging and stronger governance the operative mantra, the Company selected to graduate to a culture of overarching business excellence.

The objectives of the business excellence journey comprise the need to connect the broadest ends of the business with the smallest activities, helping transform the business from ground-level upwards; they also comprise the need to transform strategic intent into processes leading the Company to robust business sustainability.

The Company approached the subject through a focus on data analytics, increased process tool capability, job role definition and employee feedback.

In totally controlled industries like sugar and chemicals, there is hardly any room for companies to manoeuver and enhance revenues due to the fixed (cost and output) nature of the business. With almost no room to manoeuvre due to the small delta, a marginal improvement in efficiency can make all the difference.

With this in view, the Company, in collaboration with TQMI International, introduced Total Productive Maintenance (TPM) in FY 2018-19, a comprehensive tool for enhancing efficiencies encompassing every business aspect (raw material, equipment, employees, safety and quality) was implemented across all the Company's manufacturing facilities to replace legacy practices with modern equivalents.

Despite having one of the shortest off-seasons in its history (crushing went on till mid-June), the Company placed emphasis on process strengthening initiatives throughout the course of the year. The Company emphasised period machine maintenance; the result is that breakdowns declined substantially.

The main catalyst of this transition towards operational excellence is the Company's most important stakeholder: its employees. The Company conducted regular training sessions on TPM and strengthened a kaizen culture, which resulted in notable improvements across the organisation. It encouraged employees to generate new ideas, analyse the root of all problems and provide out-of-the-box solutions, enhancing overall human productivity along the way.

During the year under review, the Company conducted a study on the slow boiler project. Because of the increased people engagement, a fresh perspective was perceived and modifications were made to ensure the reduction of bagasse consumption and overhead costs, a significant step towards sustainability. The Company introduced a governance group to ensure compliance with pre-defined job roles and responsibilities for each individual. The Company has a weekly TPM-measuring framework in place and, based on its parameters, can analyse the extent to which the employees are fulfilling their responsibilities.

The result: Most of the Company's employees fulfil >80% of the daily responsibilities laid out for them.

Way forward

The Company believes that transformation is something that cannot be achieved overnight; it is an ongoing activity. TPM's introduction last year showcased the intent of the Company, the implementation across the organisation during the year under review highlighted the singular focus and by the end of the next financial year, Dhampur expects to show the world the Company it can truly be.

The culture of Dhampur

Drivers of our Business Excellence

Data analytics: At Dhampur, we believe that the incorporation of data analytics across the organisation would lead to more informed decision making. During the year under review, the Company implemented this credible discipline in pockets, the benefits of which were validated and communicated to generate a buy-in. In the next phase, a more widespread deployment is being proposed across the Performance Management System, starting with the senior management and covering the rest of the organisation across ten quarters. The PMS is expected to enhance transparency and decision-making based on credible evidence, strengthening organisational culture.

Increased process tool capability: The Company believes that increased process tool capability will drive the next round of manufacturing excellence. The Company introduced the Total Productive Maintenance (TPM), a tool directed at manufacturing excellence. The Company introduced this concept sequentially across its manufacturing facilities (Dhampur, Asmoli, Mansurpur, Rajpura and Meerganj) with the objective to replace legacy practices. The Company reported appreciable improvements in practices, comprising safety, hygiene and compliance. The result was that documentation strengthened, frequency of plant downtime declined and downtime tenures reduced. The TPM discipline reinforced process discipline across diverse functions (manufacturing, people, safety, hygiene and new projects), strengthening business sustainability.

Job role definition: The Company defined job roles and individual capabilities across the manufacturing facilities, making it possible to achieve a closer alignment between the two or relocate mismatches. This restructuring is expected to enhance human productivity.

Employee feedback: The Company embarked on structured employee feedback collection and analysis that translated into a deeper understanding of ground realities. In turn, this analysis inspired the rollout of focused improvement projects translating into defined upsides – the basis of enhanced growth and profitability.

Rewriting the organisational mindset

Data analytics
More informed decision making

Increased process tool capability
Reinforced process discipline across functions

Job role definition
Matched job roles with individual capabilities

Employee feedback
Focused improvement projects based on structured employee feedback

Driver of excellence

Our cane development

Overview

In the business of sugar production, a sustainable (and growing) pipeline of cane availability makes it possible to enhance capacity utilization and enhance revenues on the one hand while effectively amortising fixed costs and moderating costs on the other – the basis of competitiveness.

A growing availability of cane warrants continuous engagement with farmers to educate, encourage and incentivise cane planting. Ever since Dhampur went into existence, the Company focused on sustained cane development activity, making it possible to increase the coverage of its command areas with cane (over competing crops) and increase the use of technology, translating into enhanced farm yields.

In view of this, successful cane development at Dhampur has helped farmers enhance their throughput and prosperity, enhancing output within the Company – a virtuous cycle.

Challenges and initiatives

The Company's cane development activity encountered structural challenges related to cane health and output during the year under review.

- Cane yield and availability declined
- The successful CO 0238 variety was affected by red rot disease in pockets
- Farmer sentiment was weak on account of the prevailing lockdown

The Company focused on nursery development that helped provide quality seeds to farmers

The Company shortlisted two cane varieties (0118 and 15023) for resistance to red rot disease and a suitable replacement for the long-successful CO 0238

The Company implemented the use of chemicals like Hexastop and Trichoderma to enhance soil treatment and yield

The Company provided subsidized fertilisers to farmers to enhance productivity

The Company educated farmers about industry developments, encouraging them to adopt effective modern technologies (fertilisers, wide row spacing plantation etc.)

Outlook

The Company will continue to educate farmers on emerging technologies and methods. The Company intends to progressively replace the CO 0238 variety with 15023, mitigating the impact of the red rot disease and enhancing productivity. The Company intends to engage deeper in the command areas of Rajpura, Meerganj and Asmoli. These initiatives are likely to generate larger cane availability, broadbasing the Company's production across the coming years.

CASE STUDY #1

How we enhanced spacing, yields and confidence

A farmer in one of Dhampur's command area was disappointed with his cane yield (CO 0238 variety). The Company's cane development team immediately materialised on his farm to conduct an analysis. After a comprehensive study, the Dhampur team wrote out a wide-row space planting prescription. The farmer's scepticism was replaced with guarded optimism when yields increased. His words: 'Dhampur ne bachaa diya.'

Transformation

600
Quintals, conventional yield per bigha

800
Quintals, yield per bigha following wide-row space planting

CASE STUDY #2

How we transformed hesitation into confidence

Most farmers were sceptical about the use of fertilisers and micro-nutrients. Their general perception: *'Is say koi faayda nahi hoga.'*

Dhampur's cane development team set about correcting this perception.

The Company invited a large number of farmers to meetings to educate them of cane characteristics and how fertilizer use would enhance productivity significantly.

Initially, there were a number of questions asked about fertilizer effectiveness. Doubts. Reservations. Hesitation.

Gradually, the mood began to turn when the first reports of effective fertilizer application began to come in.

The result is that a large number of farmers in the Company's command areas now use advanced fertilisers, strengthening farm productivity and income prosperity.

Environment-Social-Governance

At Dhampur, we are growing our business around the ESG foundation

Overview

There is a premium on the need to conduct oneself like a responsible corporate citizen.

At the heart of this responsibility lies a forward-looking environment-social-governance commitment with the objective to enhance value for all stakeholders, deepen long-term business orientation and weave the corporate blueprint around sustainability.

Dhampur and ESG

At Dhampur, we believe that environment-social-governance (ESG) represents the heart of our business.

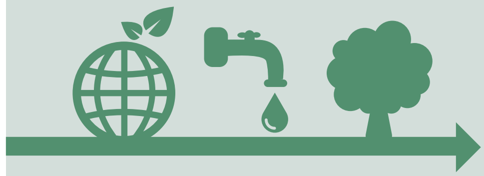
This is particularly so in a business where the product draws on an agricultural resource, the business generates byproducts that could affect earth integrity and additional resources that could be utilized to moderate carbon footprint.

The environment component prioritises the consumption of environmentally responsible resources, optimal quantum, waste recycling, consumption of finite fossil fuels and resistance to climate change, leading to a declining carbon footprint.

The social component addresses the need to invest in people, culture, vendor/customer relationships and social responsibility.

The governance component enunciates strategic clarity, prioritises the values with which the business is conducted, highlights codes of conduct, explains Board composition and indicates alignment with UNGC principles, evoking a fair expectation across stakeholders.

The combination – environment, social and governance – provides a platform for secure, scalable and sustainable long-term growth.



Environment

Our environment approach has been woven around minimizing our carbon footprint.

Product selection: There is an overarching focus on the manufacture of products that are beneficial for human or societal consumption. Sugar is used to enhance taste and food preservation; ethanol is used as a fuel additive that enhances combustion (moderating emissions) and co-generated power replaces the use of power generated from fossil fuels.

Strengthen internal controls: There is a growing commitment to environmental management systems, environmental due diligence and disaster planning & response systems across our manufacturing facilities. The promoter has charted out a strategic direction and delegated day-to-day management to professionals. The Company is being increasingly driven by processes, systems (information technology), audits and compliances.

Reducing environment impact: There is a commitment to reduce energy intensity and greenhouse gas emissions while using cleaner processes / fuels. The Company intends to achieve zero waste to landfills and zero effluent discharge targets, while moderating water consumption intensity

Proactive investments: The Company made proactive investments in infrastructure, equipment, people and practices to enhance environment responsibility.

Social

At Dhampur, business transformation has been accelerated by a team mix, marked by passion, youthfulness, knowledge and experience.

Employees: At Dhampur, we have invested in a culture of business excellence (product and process) leading to continuous cost management. The Company made timely investments (recruitment, retention and training) to enhance outcomes across functions. Besides, the Company enhanced safety through training, protocols, certifications, investments and awareness.

Customers and vendors: The Company deepened relationships with vendors who provided capital equipment and spares as well as with primary customers (trade partners). Given the complex nature of material, the Company worked with large and reputed vendors as well as its stable trade partners.

Community: The Company engaged with communities around its manufacturing locations to widen the circle of prosperity through relevant interventions in line with United Nation's Sustainable Development Goals.

Governance

At Dhampur, our governance platform comprises clarity on the way we intend to do business. This has enhanced predictability and consistency, attracting stakeholders who believe in doing business our way.

Synergic focus: At Dhampur, core competence represents an insurance against cyclicality. Over the last few years, we positioned ourselves not as much as a sugar Company as much as a sugar-derived energy Company. This overarching positioning has enhanced our strategic clarity, opened us to emerging national opportunities, strengthened our brand, attracted knowledge professionals and strengthened sustainability.

Integrity: At Dhampur, integrity is the underlying element why customers buy from us, employees engage with us, vendors sell to us, investors provide risk capital, bankers lend and communities support. Over the years, we have invested in enhancing our integrity through initiatives described in this report.

Long-term orientation: At Dhampur, we have invested patiently in assets, technologies, people, locations, products and trade partners. This has translated into high standards of technology, integrity and competencies.

Controlled growth: At Dhampur, we believe that sustainability is best derived from controlled growth as opposed to one-off profitability spikes. In line with this conviction, the Company maximized the use of accruals and concessional debt in incremental investments. The Company made capital investments generating an attractively short-term payback, maximising cash flows over paper profits.

Board of Directors: At Dhampur, our strategic direction is influenced by our Board of Directors. We have placed a premium on our Board composition, which comprises prominent professionals and industrialists. These individuals have enriched our values, experience, multi-sectorial understanding and strategic orientation.

The Company intends to progressively grow its business through net worth, enhancing value for all stakeholders

Objective

At Dhampur, the objective is to create one of the strongest Balance Sheets in India's sugar industry. We believe that such a Balance Sheet needs to be marked by a high net worth, low debt (long-term and working capital), low cost of debt, moderate receivables and a prudent revenue mix.

2020-21 gearing review

The Company ended the year under review with a strong Balance Sheet. As on March 31, 2021, gearing (all debt included) was an attractive 0.73 times, adjusted gearing (only long-term debt) was 0.28 times and selectively adjusted gearing (long-term without concessional debt that could be interpreted as quasi-equity) was 0.18 times. We believe that all three gearings are attractively moderate and represent a platform for long-term stability and predictability.

Net worth and debt

At Dhampur, we believe that a superior credit rating is largely derived from the interplay of net worth and the total debt on our books. During the last few years, we strengthened net worth on the one hand and moderated debt on the other. Our net worth strengthened from ₹1,361.67 Crore in FY 2019-20 to ₹1,560.06 Crore in FY 2020-21.

Debt management

At Dhampur, we believe that our treasury function plays a critical role in influencing our medium-term direction and value-creation. In the last couple of years, the Company repaid ₹320 Crore of long-term debt and ₹490 Crore of short-term debt

Total debt declined from ₹533.34 Crore in FY 2019-20 to ₹431.14 Crore in FY 2020-21. Even if one were to assume a reasonable projected gearing of 1.0, the Company possessed additional borrowing room of ₹418.24 Crore as on that date, based on its net worth size. We believe that this incremental debt represents an available resource that we could potentially call upon should we need to invest in growing our business (organically or inorganically).

Cost

At Dhampur, we believe that one of the most decisive influences on the profitability of a sugar company is the cost at which we source our funds. Over the years, our objective has been to strengthen our credit rating, which can then be leveraged to negotiate lower debt costs from lenders. The Company strengthened its credit rating A & A+ with stable outlook. This helped us moderate the average weighted debt cost of 9.77% in FY 2015-16 to 6.93% in FY 2019-20 to 6.65% in FY 2020-21. We believe that this decline in the cost of our funds was partly achieved through the concessional debt provided by the Indian government to commission or enhance ethanol capacity.

Receivables cycle

In the sugar industry, a critical determinant of the cost of funds is the receivables cycle. In the Company's core business, sugar needs to be manufactured and stored for more than a year. During this extended storage period, the cash invested in the purchase of cane and other overheads need to be sustained until the sugar is sold. The quicker the sugar is liquidated, the faster the cash flows into the Company and the short-term debt can be repaid (and vice versa). Contrast this with the ethanol business where sales are made within 30 days of manufacture and cash received within 35 to 40 days of sale. In FY 2020-21, the Company generated 74% of its revenues from sugar. With every round of ethanol capacity addition, we expect the receivables cycle to shrink, cash flows to strengthen, cane farmers to be paid on schedule and a greater incentive for them to plant more cane – a virtuous cycle.

RoCE

At Dhampur, we believe that the outcome of our initiatives needs to reflect in a superior return on employed capital. The management is optimistic that its various initiatives will translate into a relatively smaller Balance Sheet on the one hand and a stronger Profit & Loss Account on the other. This will enhance the Company to strengthen credit rating, increase counter-cyclicality and grow its business largely through net worth.

People resource

The Company intends to energise policies and practices leading to sustained outperformance

Overview

The conventional focus in Dhampur was to enhance operating efficiency and moderate costs, strengthening viability. In a business environment marked by investment, increased capacity and product broad-basing, there is a premium on strengthening the organisational culture, marked by meritocracy, diversity, operating platforms and optimized resource management.

In doing so, the Company expects to enhance the role of knowledge cum experience retention over the conventional perspective of people retention. This, in turn, is expected to strengthen team effectiveness, deepen learning orientation and enhance productivity leading to sustained outperformance.

During the last financial year, the Company articulated its human resource intent. This focus will be strengthened during the current financial year and the results are expected to become more visible from 2022-23 onwards.

Organisational effectiveness

The management outlined a seven-layer organization with a decisive directional change: increasingly role-based compared with the conventional hierarchy-based system. The management introduced structured job descriptions, key result areas and career path for every employee, enhancing an understanding of their position within the structure, role within and how this connected with overall sustainability.

Skill building

The Company short-listed 26 super-critical equipment to build related competencies around them. This comprised a detailed examination of who manned that equipment, skills possessed, positional redundancy and multi-skilling. This objective was undertaken to deepen specialization, create mini-pockets of excellence and strengthen talent pipelines.

The Company doubled the campus trainee intake complemented by a structured year-long training programme.

Besides, the Company introduced a guru-shishya programme where employees on the verge of retirement graduated to transferring skills and experiences to younger employees.

The Company strengthened digital training with the objective to graduate employees towards enhanced effectiveness. The video-based training modules are considered distinctive within the country's sugar industry; this application enhances field force productivity (comprising a review of employee attendance, visits, routes and related issues); the Super Procure platform leveraged the reverse auction method to enhance procurement economies; the digital engagement platform widened remote engagement and the use of data in informed decision-making.

Meritocracy

The Company strengthened its performance management process with the intent to enhance appraisal objectivity and moderate bias.

The Company introduced the concept of a mid-season review, which comprised taking stock of an individual's performance during the course of the sugar season (as opposed to one towards the end), inspiring ongoing review and probable course correction.

The Company finalized a competence framework where the gap analysis indicated the extent and nature of training needed for teams and individuals or probable recruitment.

The Company strengthened the movement in equipping competent professional to be groomed for key positions and higher responsibility.

Diversity quotient

The Company has always been an equal opportunity employer. Without compromising this ethic, the Company focused on widening the diversity of employee backgrounds, gender, exposure, ideas, ages and ethnic mix. This helped enhance the induction of employees from outside the sugar sector, rejuvenating the operating culture with fresh unconventional perspectives.

Management discussion and analysis

Global economic overview

In 2020, global economic activity was affected by the pandemic, resulting in a contraction of (-) 3.4% after a growth 2.4% in 2019. The G20 countries experienced an aggregate slowdown of (-) 3.2%, with the Euro area contracting by (-) 6.8%, UK by (-) 9.9% and the US by (-) 3.5%. India was estimated to have contracted by (-) 7.3% while China was the only major economy to record a growth of 2.3% in 2020.

Regional growth %	2020	2019
World output	(3.4)	2.9
Advanced economies	(4.9)	1.7
Emerging and developing economies	(2.4)	3.7

The global economy is projected to grow by 5.5% in 2021 largely due to the successful roll-out of vaccines, coupled with policy support in large economies. *(Source: IMF)*

Indian economic review

The Indian economy passed through one of the volatile periods in living memory in FY 2020-21.

At the start of 2020, India was among five largest global economies; its economic growth rate was the fastest among major economies (save China); its market size at 1.38 Billion was the second largest in the world; its rural population of the under-consumed was the largest in the world.

The Indian government announced a complete lockdown in public movement and economic activity from the fourth week of March 2020. As economic activity came to a grinding halt, the lockdown had a devastating impact on an already-slowing economy as 1.38 Billion Indians were required to stay indoors - one of the most stringent lockdowns enforced in the world.

The outbreak of the novel coronavirus and the consequent suspension of economic activities due to the pandemic-induced lockdown, coupled with muted consumer sentiment and investments, had a severe impact on the Indian economy during the first quarter of the year under review. The Indian economy de-grew 23.9% in the first quarter of FY 2020-21, the sharpest de-growth experienced by the country since the index was prepared.

The Indian and state governments selectively lifted controls on movement, public gatherings and events from June 2020 onwards, each stage of lockdown relaxation linked to corresponding economic recovery. Interestingly, as controls relaxed what the country observed was a new normal: individuals were encouraged to work from home; inter-city business travel was replaced by virtual engagement; a greater premium was placed on the ownership of personal mobility modes (cars and two-wheelers); there was a sharp increase in home purchase following the need to accommodate an additional room for home working.

The result is that India's relief consumption, following the lifting of social distancing controls, translated into a full-blown economic recovery. India de-grew at a relatively improved 7.5% in the July-September quarter and reported 0.4% positive growth in the October-December quarter and 1.6% growth in the last quarter of the year under review.

The result is that India's GDP contracted 7.3% during FY 2020-21, largely on account of the sharp depreciation of the first two quarters. This sharp Indian recovery – one of the most decisive among major economies – validated India's robust long-term consumption potential.

During FY 2020-21, while the agriculture sector posted a growth of 3%, the industrial sector contracted (-) 7.4% and the Services sector declined (-) 8.4%. Consumption expenditure declined (-) 7.1% while Gross Fixed Capital Formation contracted (-) 12.4%.

Y-o-Y growth of the Indian economy

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
Real GDP growth (%)	7	6.1	4.2	-7.3

Growth of the Indian economy, FY 2020-21

	Q1, FY 2020-21	Q2, FY 2020-21	Q3, FY 2020-21	Q4, FY 2020-21
Real GDP growth (%)	(23.9)	(7.5)	0.4	1.6

(Source: Economic Times, IMF, EIU, Business Standard, McKinsey)

Indian economic reforms and recovery

There were a number of positive features of the Indian economy during the year under review.

India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of FY 2020-21 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy.

The per capita income was estimated to have declined by 5% from ₹1.35 Lakh in FY 2019-20 to ₹1.27 Lakh in FY 2020-21, which was considered moderate in view of the extensive demand destruction in the first two quarters of FY 2020-21.

The Indian currency strengthened from a level of ₹76.11 on April 01, 2020 to a USD to ₹73.20 as on March 31, 2021 after peaking at ₹76.97/USD on April 21, 2020 (Source: Poundsterlinglive, exchangerates.org.uk)

India's foreign exchange reserves continue to be in record setting mode – FY 2020-21 saw USD101.5 Billion dollars accretion in reserves, the steepest rise in foreign exchange reserves in any financial year; India's forex reserves are ranked third after Japan and China and can cover more than a year's import payments.

The gap between government expenditure and revenue was estimated at ~₹12 Trillion due to increased borrowing by the government in May 2020 to address the COVID-19 outbreak.

India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and was the only country in the emerging market basket that received positive FPIs of USD23.6 Billion in 2020; the country ranked eighth among the world's top stock markets with a market capitalisation of USD2.5 Trillion in 2020.

The Indian government initiated structural reforms in agriculture, labour laws and medium-small enterprise segments. The labour reforms were intended to empower MSMEs increase employment, enhance labour productivity and wages.

India extended the Partial Credit Guarantee Scheme by relaxing the criteria and allowing state-owned lenders more time to purchase liabilities of shadow banks. Under the ₹45,000-Crore partial credit guarantee scheme, announced as a part of the Atmanirbhar Bharat package, three additional months were given to banks to purchase the portfolio of non-banking financial companies.

The government approved amendments to the Essential Commodities Act and brought an ordinance to allow farmers to sell their crop to anyone; the changes to the Essential Commodities Act, 1955, were intended to 'deregulate' agricultural commodities (cereals, pulses, oilseeds, edible oils, onions and potatoes from stock limits). The government approved the Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020, to ensure barrier-free trade in agriculture produce.

The Government relaxed foreign direct investment (FDI) norms for sectors like defence, coal mining, contract manufacturing and single-brand retail trading.

The Union Cabinet approved the production-linked incentive (PLI) scheme for 10 sectors: pharmaceuticals, automobiles and auto components, telecom and networking products, advanced chemistry cell batteries, textile, food products, solar modules, white goods and specialty steel. These incentives could attract outsized investments, catalysing India's growth journey.

Outlook

The emergence of the second COVID-19 wave moderated the outlook for a strong rebound in real GDP growth to 8-10.5% in FY 2021-22, supported by a strong revival achieved in Q4 FY 2020-21 and impact of fiscal stimulus packages under AtmaNirbhar 2.0 and 3.0 schemes and promotion of investments in the Union Budget 2021-22.

As a result of the setback caused by the second wave, real GDP growth for FY 2021-22 could well finish lower than estimated before India returns to robust growth in FY 2022-23 with a projected 6.8% growth over FY 2021-22.

Global sugar sector overview

Global sugar production for the marketing year 2020-21 was estimated at 182 Million Tonnes, an increase of ~16% over the previous year, with Brazil accounting for nearly three-fourths of the surge. Global consumption of sugar was pegged at 174.19 Million Tonnes, an increase of 2.6% YoY in comparison to 171.58 Million Tonnes in FY 2019-20. This could be attributed to the increasing demand in markets such as India, China, Indonesia, and Iran and is estimated to bring a decline in stocks despite a rebound in output. Moreover, exports have witnessed a sharp increase due the increase in supplies, mainly accounted by Brazil. (Source: Chinimandi, USDA)

Performance of major sugar producing countries

Brazil: The largest sugar producer in the world experienced an estimated rebound of 12.1 Million Tonnes in its production numbers from 30 Million Tonnes to 42.1 Million Tonnes in FY 2020-21 due to higher returns on sugar compared to ethanol, coupled with favourable weather conditions. Nearly 48% and 52% of the sugarcane crop was processed for sugar and ethanol respectively, compared to a 35% and 65% split in FY 2019-20, as the COVID-19 pandemic and social distance measures have caused a reduction in the fuel use. While the country has experienced a decline in consumption, stocks and exports have, on the other hand, gone up with higher available supplies.

Thailand: Sugar production in Thailand was projected to have declined by ~5% to 7.9 Million Tonnes as the area, yields, and extraction rates have reduced due to a massive drought. Consumption, on the other hand, increased for direct sugar consumption and food services. In addition, exports witnessed a rise in its numbers while the stocks experienced decline.

European Union: Due to three consecutive years of drought, which resulted in low yields, along with other major factors like beet yellows virus disease causing severe damages, has resulted in a major negative impact on the European countries, especially France. The production of sugar in the European Union declined for the third year in a row and reached an estimated volume of 16.1 Million Tonnes.

USA: Increase in harvested area and yields for sugar beets and sugarcane have been the major drivers for the U.S. sugar industry in FY 2020-21, with the estimated production witnessing a YoY rise of 10% to 8.2 Million Tonnes. Due to higher production, the imports for the year under review were estimated to have declined by 25% to 2.7 Million Tonnes. Even though consumption of sugar in the country stood at a slightly lower side at 11.06 Million Tonnes, the US remained the second largest consumer on record.

(Source: USDA)

Indian sugar industry overview

The sugar mills in India were projected to produce a total of 30.8 Million Tonnes of sugar in the sugar season 2020-21, 13% more when compared to 26.8 Million Tonnes produced during the same period in the 2019-20 season, whereas sugarcane consumption was pegged at 25.5 Million Tonnes.

This growth was accounted mainly by the high availability of sugarcane in the country. In FY 2020-21, 487 sugar mills were involved in crushing operations throughout the country, compared to 440 mills in the previous season. Within the 4.2 Million Tonnes increase, around 254,000 Tonnes of cane juice and B molasses were kept aside for ethanol production, whereas the remaining 3.96 Million Tonnes were allocated for sugar production. It is estimated that a larger quantity of cane juice / syrup and B-molasses will be diverted to ethanol with higher availability of sugarcane and surplus sugar production.

India is expected to retain its position as the largest consumer and second largest producer of sugar in the world. Over the last 2 years, India has reached a new production threshold level above consumption. The fixing of sugarcane prices by the government to support farmer incomes, coupled with the fixed minimum domestic sugar prices, catalysed the country's production to reach new benchmarks. The sugar industry supports around 12% of the rural population in India in nine states, namely Punjab, Uttar Pradesh, Maharashtra, Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka, and Tamil Nadu.

Sugar Balance Sheet, FY 2020-21 (in Million Tonnes)

Opening stock	10.7
Estimated production during sugar season 2020-21	30.8
Sugar availability	40.7
Estimated domestic consumption	25.5
Targeted exports during sugar season 2020-21	6.0
Closing Stock	10.0

Sugar opening stock, production, consumption and closing stock in India over the years (in Million Tonnes)

Year	Opening balance	Production	Consumption	Closing balance
2011-12	5.85	26.3	22.6	6.60
2012-13	6.60	25.1	22.8	9.3
2013-14	9.3	24.4	24.2	7.47
2014-15	7.47	28.3	25.6	9.08
2015-16	9.08	25.1	24.8	7.75
2016-17	7.75	20.3	24.5	3.88
2017-18	3.38	32.5	25.4	10.72
2018-19	10.72	33.16	26	14.5
2019-20	14.5	27.4	25.3	10.7
2020-21	10.7	30.8 (E)	25.5 (E)	10.0 (E)

(E): Estimated

(Source: Financial express, Mordor Intelligence, Outlook India)

Performance of major sugar producing states in India in FY 2020-21

Uttar Pradesh: 120 sugar mills were engaged in the estimated production of 12.3 Million Tonnes of sugar in sugar season 2020-21 in comparison to the sugar season 2019-20, where 119 sugar mills were in operation to generate a total output of 12.7 Million Tonnes of sugar. Uttar Pradesh is the leading sugarcane producing state in India with a sugarcane area of 2.29 Million hectares in 2020-21 SS compared to 2.32 Million hectares in the previous season, resulting in a marginal increase of 1%.

Maharashtra: Maharashtra was the largest sugar producing state in India after Uttar Pradesh with 181 sugar mills in operation and an output of 10.8 Million Tonnes in 2020-21 SS, compared to 139 sugar mills producing 6.17 Million Tonnes in 2019-20 SS.

Karnataka: The sugarcane area in Karnataka increased in 2020-21 SS to 501,000 hectares as against 420,000 hectares in 2019-20 SS, a significant growth of ~9%, mainly accounted by timely and adequate rainfall.

Tamil Nadu: In Tamil Nadu, the sugarcane area in 2020-21 SS was estimated at 220,000 hectares, which was more or less similar compared to a sugarcane area of 230,000 hectares in 2019-20 SS. Therefore, sugar production for 2020-21 SS declined to a projected 751,000 Tonnes as against 790,000 Tonnes produced in 2019-20 SS.

Other States: The remaining states of Haryana, Madhya Pradesh, Bihar, Uttarakhand, Andhra Pradesh, Telangana, Punjab, Chattisgarh, Rajasthan and Odisha were estimated to have produced a total of 3.43 Million Tonnes of sugar in the 2020-21 SS in comparison to 3.29 Million Tonnes produced in 2019-20 SS. (Source: Chini mandi)

Sugar exports and imports

In FY 2020-21, the sugar mills in the country were responsible for an estimated 6 Million Tonnes of exports. The drop in Thailand's sugar production due to drought had created a massive opportunity for India to export sugar to Asian importing countries, especially Indonesia, Malaysia, Middle East, Sri Lanka and Bangladesh, on which India rightfully capitalised. With production being on the rise, India recorded an increase of an estimated 300,000 Tonnes in its sugar exports during the 2020-21 SS. According to the sugar export programme announced by the government on December 16, 2020, the export subsidy has been restricted by the government at ₹6,000 per Tonne considering the world sugar prices improved in FY 2020-21 compared to the FY 2019-20 prices. The actual expenses incurred on internal transport, ocean freight and marketing and promotion charges were high. India exports duty free sugar to the US for up to 10,000 Tonnes annually under a preferential quota arrangement. India, the world's second-biggest producer and the largest consumer of sugar, has a preferential arrangement for sugar export with the European Union. Around 1 Million Tonne of sugar was exported by India to European countries in terms of contracts. Considering that the global demand for Indian sugar has risen over the past few years and that sugar production in major sugar producing countries like Thailand and countries in the European Union are on a decline, India was able to achieve 93% of its targeted volumes with the support of the ₹6,000 per Tonne of export subsidy during 2020-21.

Sugar exports (in Million Tonnes)

Year	Export
2010-11	2.6
2011-12	2.99
2012-13	0.35
2013-14	2.13
2014-15	1.1
2015-16	1.66
2016-17	-
2017-18	0.5
2018-19	3.8
2019-20	5.7
2020-21	5.6

(Source: Financial Express, Business Standard)

Fair and remunerative price (FRP)

In FY 2020-21, the sugar mills in the country were responsible for an estimated 6 Million Tonnes of exports. The drop in Thailand's sugar production due to drought created a massive opportunity for India to export sugar to Asian importing countries, especially Indonesia, Malaysia, Middle East, Sri Lanka and Bangladesh. With production on the rise, India recorded an increase of an estimated 300,000 Tonnes in its sugar exports during the 2020-21 SS. According to the sugar export programme announced by the government on December 16, 2020, the export subsidy was restricted by the government at ₹6,000 per Tonne considering the world sugar prices improved in FY 2020-21 compared to the FY 2019-20 prices. Though the actual expenses incurred on internal transport, ocean freight and marketing and promotion charges were high. India exported duty-free sugar to the US for up to 10,000 Tonnes annually under a preferential quota arrangement. India, the world's second-biggest producer and the largest consumer of sugar, had a preferential arrangement for sugar export with the European Union. Around 1 Million Tonnes of sugar was exported by India to European countries in terms of contracts. Considering that the global demand for Indian sugar has risen over the past few years and the fact that sugar production in major sugar producing countries like Thailand and countries in the European Union are on a decline, India was able to achieve 93% of its targeted volumes with the support of the ₹6,000 per Tonne of export subsidy during FY 2020-21.

FRP over the years (in ₹)

Year	FRP
2010-11	130
2011-12	139
2012-13	145
2013-14	170
2014-15	210
2015-16	220
2016-17	230
2017-18	255
2018-19	275
2019-20	275
2020-21	285

(Source: Chinimandi)

Minimum support prices

The government is considering a proposal to increase the minimum selling price of sugar from ₹31 per Kg to ₹33 per Kg to help millers clear cane dues of about ₹22,000 Crore to farmers. The MSP is fixed, taking into account the components of FRP and minimum conversion cost of the most productive mills. Moreover, it is proposed by the government to link the FRP of sugarcane with the revised MSP, which, in turn, will help the sugarcane farmers pay off their debts without bottlenecks. (Source: Business Standard)

Indian ethanol sector overview

Plants in the country delivered ethanol production of 2.9 Billion litres in 2020 compared to 2.55 Billion litres in 2019. Moreover, the country aims to add a 20% target of ethanol to gasoline by 2025 (Source: Reuters).

Promoted by the government, Indian states have increased production of first generation (1G) ethanol from feed stocks such as cereals like rice, wheat, barley, corn, sorghum sugarcane and sugar beet under the modified ethanol generation scheme by the government. This would eventually help the government in getting closer to achieving the goal of blending 20% ethanol in petrol and thereby, change the target year from 2030 to 2025.

Ethanol is also a prominent alcoholic beverage input, which is utilized mainly in beer, cider, wine and spirits. Therefore, factors such as changing lifestyle and growing adoption of the western culture are expected to be major growth drivers for ethanol in the country. The rising demand and production of wine and other alcoholic beverages has proved to be a profit booming segment for the Indian ethanol market.

Due to its numerous germicidal properties, ethanol also finds several applications in the disinfectants segment and has been strongly recommended by the World Health Organization as an essential constituent in alcohol-based hand sanitizers. Moreover, since the onset of Covid-19 pandemic, this segment has been a great source of revenue for the ethanol segment.

The central government decided to bear interest subvention for five years including one year's moratorium against the loan, which is projected to increase investments by ₹40,000 Crore. This would bring a wave of hope for the farmers to facilitate the diversion of surplus sugar to ethanol. An assurance of supply of 324 Crore litres of ethanol was given by the government for FY 2020-21 and 8.5% blending of ethanol petrol was achieved. An interest subvention of ₹4,687 Crore was extended by the government to enhance sugar production for the loans taken by them from banks to set up new mills or to increase the present capacity.

By 2025, the central government plans to acquire 900 Crore litres of ethanol to achieve 20% blending with petrol. The chemical and industrial sectors would need an extra 300 Crore litres apart from this, with the sugar industry set to supply 700 Crore litres out of the 1200 Crore litre requirement. India ranks fifth after the United States, Brazil, China and Canada in ethanol production. The ethanol blending program is a method to reduce oil imports, boost international sugar prices and cause a decline in carbon emissions in the large cities. The problem of excess sugar production will be solved by higher ethanol production. Due to the subsidies given by the government to the sugar industry to make it more competitive, a high cost is incurred in the country's sugar exports on account of subsidies to make those shipments competitive.

Co-generation

Sugar production is an energy concentrated industry and, requires steam and electricity. Bagasse is the residue of sugarcane after it is crushed and burnt as a fuel in the sugar mills. The sugar mills' own energy needs are fulfilled through bagasse cogeneration. However, adequate electricity supply to the grid has accelerated globally in the last decade. Bagasse has several benefits like near zero fuel cost, increased feasibility of sugar mills, security of energy, fuel diversity, diminished transmission and distribution losses and reduction of carbon emission. The central government launched a programme to reinforce adequate electricity generation from bagasse cogeneration. Bagasse is useful as a fuel source for sugar mills; when burned in substantial quantity, it generates energy sufficient to meet all the electricity requirements of a typical sugar mill. It is currently being used worldwide as a fuel source to produce energy and electricity and is being sold to electricity grids. Bagasse is a versatile replacement for products derived from trees. Bagasse tends to be a valuable substitute for traditional paper, plastic and foam-based products in an exceedingly growing number of products.

The biomass availability is estimated at around 500 Million metric Tonnes every year; the country has an additional biomass availability of around 120-150 Million metric Tonnes each year. Apart from this, about 7000 MW extra power might be produced through bagasse-based cogeneration in 550 sugar mills across the country, if the sugar mills were to adopt optimum measures for co-generation through bagasse. (Source: CAG)

Government initiatives

In FY 2020-21, the central government allocated ₹3,500 Crore to reduce surplus in the domestic market and help cash-strapped mills clear its dues to cane farmers in to achieve the six Million tonne target set for sugar exports in the country. In the marketing year 2020-21, ₹5,361 Crore was provided to the millers by the government as export subsidy against its announcement of ₹10,448 per tonne in FY 2019-20. Around 5 Crore farmers and their dependents, and five Lakh workers employed in the sugar sector, benefitted through this initiative. The government, through this subsidy, aims to cover the marketing costs of sugar mills, including handling, upgrading and other operational costs, international and domestic transportation costs, and freight on exports, which will have a key effect in achieving the six Million Tonnes export target. (Source: News on air)

Growth drivers

Growing population: India's population is anticipated to grow by 0.74% CAGR, from 1.39 Billion from 2021 to 1.52 Billion by 2036. The country is estimated to overtake China to become the most populous country by 2026. This will, in turn, result in an increase in the consumption of sugar and is one of the most important factors driving growth of the sugar industry.

Climatic condition: Due to the absence of excessive heat stroke in the summer in South India and relatively high temperature in a frost-free winter, sugar cultivation experiences increasing growth in India.

Increase in per-capita income: An increase in India's per capita income is going to generate growth in demand for sugar. Though it will have a marginal impact due to its relatively inelastic nature, this factor cannot be ignored. As a result of a higher income, the purchasing power of individual will rise, which is going to boost the demand of sugar in the coming years.

Increase in demand of supplementary goods: Demand for tea in India is expected to grow at a CAGR of 4.2% between 2021to 2026. Sugar, being a supplementary product for tea, is expected to rise in numbers due to this reason.

Export earnings: India's export value from sugar increased from ₹871.41 in 2015 to ₹1,359.58 in 2020 with a

CAGR of 9.30% during this period. Sugar export is a rich source of foreign cash reserve for India, which incentivises growth of the Indian sugar industry.

Government policies: Government's proactive steps towards increasing overall sugar production by providing export subsidies is projected to strengthen the financial condition of the farmers. As a result of this, farmers will be motivated to cultivate more cane and hence, drive the growth of the sugar industry.

Rising demand of end-products: Rise in demand of end-products of sugar like sweets and chocolates is directly linked to an increase in the consumption of sugar.

Growth in the pharmaceutical industry: The Indian pharma sector is estimated to grow to USD 100 Billion and the medical equipment's sector is projected to grow at USD 25 Billion by 2025. Sugar, being an important component for preparing medicines, is anticipated to report a higher demand, boosted by the pandemic. (Sources: Business wire, Expert market research, IBEF, Statista, The Wire)

SWOT analysis

Strengths

- India, the second largest producer of sugar in the world, is more than self-reliant for its sugar consumption
- The sugar industry is one of the largest agricultural employers
- The bagasse from sugarcane generates co-generation revenues
- The country is endowed with rich arable land
- India is among the lowest-cost sugar producers in the world
- The industry uplifts rural communities

Weaknesses

- The sugar manufacturing technology is obsolete in most companies; most factories are more than 40 years old
- India's plantation white sugar enjoys low global demand
- The country is completely dependent on monsoonal rain

Opportunities

- On the back of a rising population and increased downstream demand, sugar demand is increasing in India
- There is scope of increasing ethanol production.

Threats

- Competition from cheap sugar imports
- The dependence of the sugar industry on rainfall, cultivated area and transportation cost affects sugarcane prices

Divisional analysis

Our sugar business

Overview

Dhampur Sugar Mills was established in 1933. Across nearly nine decades, the Company has retained its business as one of the leading sugar manufacturers in the country.

The Company possessed an aggregate cane crushing capacity of 45,500 Tonnes of cane per day as on March 31, 2021. The Company's manufacturing units (Dhampur, Asmoli, Mansurpur, Rajpura and Meerganj) are located in the cane-rich regions of Uttar Pradesh. The Company is engaged in the production of refined (packaged and branded), white and retail sugar.

Over the years, the Company reinforced its manufacturing capabilities through proactive investments in cutting-edge technologies, training and specialisation, strengthening quality, output, efficiency and environment compliance.

Sectoral background

India's sugar production for sugar season 2020-21 was estimated at 30.8 Million metric Tonnes while sugar consumption was estimated at 25.5 Million Tonnes. In FY 2020-21, 487 sugar mills in India were engaged in crushing as against 440 mills in the previous year. (Source: indoasiancommodities.com) In Uttar Pradesh, 120 sugar mills were engaged in production of 123.06 Lakh Tonnes of sugar in 2020-21 SS, which is marginally lower compared to 2019-20 SS, where 119 sugar mills operated and produced 126.45 Lakh Tonnes of sugar (after diversion into ethanol).(Source: Chinimandi)

The Fair and Remunerative Price (FRP) for sugar season 2020-21 was ₹285 per quintal (compared to ₹275 per quintal in 2019-20) linked to a basic recovery rate of 10%, with a premium of ₹2.85 per quintal for every 0.1% increase in recovery above that level.

The Government maintained the minimum support price for sugar at ₹31 per kg. Uttar Pradesh, the leading sugarcane producing state in the country, possessed a sugarcane area of around 22.92 Lakh hectares compared to 23.21 Lakh hectares in the preceding season.

Strengths

Experience: The Company possesses an experience of >9 decades in sugar manufacture

Strategic location: The Company's five manufacturing units are located in the cane-rich regions of Uttar Pradesh

Logistics advantage: The Company derives cane from within a 30 km radius from its manufacturing units, moderating logistics costs

Technology: The Company implemented TPM and invested in cutting-edge technologies to enhance productivity

Pioneers: The Company has two sugar refineries (Dhampur and Asmoli), enhancing the proportion of value-added sugar in its product mix

Value-addition: The Company has a significant proportion of value-added products in its overall mix, strengthening margins

Challenges

Meeting statutory and environment requirements

The Company installed effluent treatment plants (all operational by the end of the year under review). The Company installed condensate policy units in its manufacturing units to ensure compliance with statutory norms.

Maintaining quality standards was imperative

The Company streamlined its manufacturing process; TPM was implemented and significant improvements were made in process systems, fan boiling, evaporators, boiling schemes and filtration systems.

Allocating a larger proportion of production towards institutional sales could have been a huge challenge

The Company placed an emphasis on allocating production to institutional sales across its manufacturing units. The Rajpura unit accreditation with ISO:22000 was a step in this direction.

Highlights, FY 2020-21

- The Company crushed 80.01 Lakh Tonnes of cane compared to 69.16 Lakh Tonnes in FY 2019-20
- The percentage of early cane maturing variety was 99.7% compared to 97% during the sugar season of 2019-20
- The Company produced 8.51 Lakh Tonnes of sugar (including raw sugar 1.56 Lakh Tonnes)
- The Company sold 9.83 Lakh Tonnes of total sugar, a 20% increase over FY 2019-20
- The Company exported 1.97 Lakh Tonnes of raw sugar, a 17% increase over the previous year
- The Company reported 3.33 Lakh Tonnes of inventory as on March 31, 2021 (including raw sugar 0.5 Lakh Tonnes) valued at an average rate of ₹30.20 per kg
- The Company's EBIT margin for the business stood at 3.24% as compared to 4.24% in FY 2019-20
- The Company diverted 8.52 Lakh quintals (out of 93.69 Lakh quintals) of sugar for ethanol production

Outlook

The Company is attractively positioned to sweat resources; it plans to double cane crushing over five years. The Company will focus on the production of superior quality sugar through complete TPM implementation. The Company will continue to encourage farmers to plant high-yield varieties, improving sugar recovery by reducing cut-to-crush time, enhancing processes and reducing sugar losses.

Divisional analysis

Our distillery business

Overview

In 1991, Dhampur ventured into the downstream processing of molasses through the commissioning of its distillery with an installed capacity of 300 KLPD (gradually increased to 400 KLPD). In addition to producing ethanol, the distillery manufactures rectified spirit, ENA, special denatured spirit and ethyl acetate.

The Government's ethanol blending program strengthened ethanol offtake by oil marketing companies and utilisation of the Company's capacity. The Company is one of the largest suppliers of B-Heavy ethanol in Uttar Pradesh.

During the year under review, the Company supplied 11.04 Crore litres of ethanol including ENA, of which 9.07 Crore litres was produced through the B-Heavy and 1.96 Crore litres from C-Heavy routes. The average ethanol realization was ₹52.29 per litre, C-Heavy ethanol realization was ₹39.03 per litre whereas B-Heavy was ₹55.17 per litre. The Company consumed its captively generated molasses (B-Heavy route) without purchases.

Sectoral background

Total ethanol production was estimated at 375-400 Crore litres in FY 2020-21. The Government increased the basic price of ethanol from sugar cane juice to ₹62.65 per litre while ethanol extracted from C-grade molasses was fixed at ₹45.69 per litre and B-grade molasses at ₹57.61 per litre. The blending percentage of ethanol with petrol increased from 1.53% in FY 2013-14 to around 8.5% in FY 2020-21. The National Biofuel Policy 2018 envisages an indicative target of 20% blending of ethanol in petrol by 2025 to reduce dependence on oil imports for which the country could need a 1,000 Crore litre capacity per annum (currently 684 Crore litre per annum).

Strengths

Pioneer: The Company was among the first Indian sugar companies to have commenced ethanol production in the 1990s

Size: The Company is one of the largest manufacturers of ethanol and derivative products from sugarcane in India.

Relationships: The Company enjoys multi-year partnerships with oil marketing companies

Captive utilisation: The Company utilizes molasses in manufacturing ethanol. The captive utilization stood at 100% in FY 2020-21.

Challenges

Inability in capitalising on increased ethanol demand could affect revenues

The Company has activated a 100 KLPD expansion, which will increase production capacity to 500 KLPD, strengthening opportunity-preparedness.

Decline in ethanol demand could affect revenues

The Company extended its sales network to other States to mitigate any probable demand decline

Inadequate storage could increase molasses wastage

The Company installed coolers in all storage tanks to minimize wastage.

Highlights, FY 2020-21

- The Company marketed 1,104.05 Lakh bulk litres of ethanol at an average ₹52.3 per litre compared to 977.34 Lakh bulk litres at an average ₹45.8 per litre in FY 2019-20
- The recovery from C-Heavy molasses was 22.57% compared to 30.07% for B-Heavy molasses
- The Company sold 252.72 Lakh kg of chemicals at an average price of ₹65.53 per kg compared to 166.17 Lakh kg of chemicals at an average price of ₹55.37 in FY 2019-20
- The plant was completely operational even during the lockdown
- EBIT margin for the business stood at 23.66% as against 20.66% in FY 2019-20
- The Company produced 1124 Lakh bulk litres of alcohol against 1051 Lakh bulk litres of alcohol in the previous year

Outlook

The Company plans to commission capacity expansion and increase ethanol production.

The Company is poised to supply the ethanol produced from cane juice, which, in turn, could increase realisations.

Divisional analysis

Our co-generation business

Overview

Dhampur ventured into the business of cogeneration more than two decades ago to enhance the monetisation of bagasse generated from sugar manufacture. The Company was among the first in the Indian sugar industry to install a 105kg/square centimetres boiler and 30 MW turbines, increasing the yield ratio of steam from bagasse.

Over the years, the Company enhanced its co-generation capacity to 216.5 megawatt in tranches, one of the largest in India. The Company's power generation capacity accounted for 52% of its captive consumption, while the rest was channelised for merchant sale to the State Electricity Grid.

Sectoral background

India's installed power generation capacity reached 374.19 gigawatts in 2020. India's per capita electricity consumption stood at 1,149 kWh in 2020, indicating headroom for improvement when compared with the average global benchmark. India's power demand is expected to increase to 1,905 TWh by FY 2021-22. The Union Budget 2021-22 allocated ₹15,322 Crore to the Ministry of Power.

Strengths

Contemporary technology: Over the year, the Company has invested in state-of-the-art equipment, enhancing efficiency and productivity.

Captive utilisation: The Company utilises bagasse in power generation, an eco-friendly resource. Nearly 52% of its power requirement was serviced in-house.

Diversified business: The Company's power sales generated 7% of the overall revenue, enhancing revenue visibility.

Challenges

Leaks of steam and hot gases (CO2) from turbines could impact power generation

The Company identified turbine areas where better insulation was required. This was repaired, minimising leaks of steam and hot gases, enhancing electricity generation with lower steam quantity.

Weak monitoring of daily operations could affect efficiency

The Company recorded day-to-day power generation and challenges (if any) that were addressed and with a pre-defined Annual Operating Plan, inspiring timely correction.

Highlights, FY 2020-21

- The Company generated 74.16 units in FY 2020-21 compared to 69.28 Crore units in FY 2019-20
- The Company exported 35.43 Crore units compared to 35.24 Crore units in the previous year
- The Company earned an average ₹3.20 per unit compared with ₹3.12 per unit in FY 2019-20.
- The Company engaged in routine maintenance to moderate downtime; scheduled planned equipment downtime timed with unfavourable weather forecasts helped minimize unproductive days.
- EBIT margin stood at 33% compared to 32% in FY 2019-20
- The steam-to-fuel ratio improved across five plants

Outlook

Going forward, the Company intends to invest in installing a new advanced boiler and turbine at Asmoli to generate more power with less steam. The Company intends to maximize efficiency and improve its steam-to-fuel ratio across plants.

Advantages of the business

Superior monetisation of a captively-generated resource

High proportion of captive power needs serviced from within

Eco-friendly alternative to fossil fuel-derived power

Tax and depreciation benefits

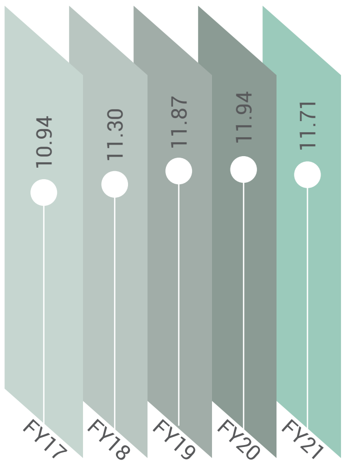
Stable revenue visibility

Risk management

Geographical risk: The distance between the mills and cane fields are expected to pose a risk to the Company's business.

Mitigation: The Company's mills are situated within a radius of 30 kms of key cane-growing areas and are well connected by roads.

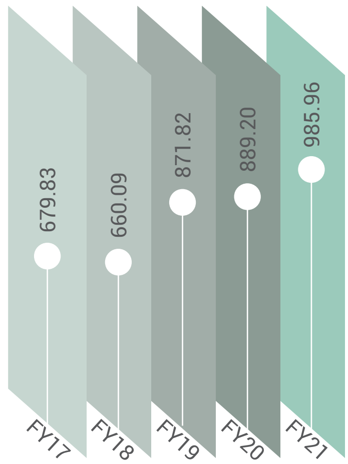
Gross Recovery (%)



Demand risk: The Company could get affected by a situation of excess of supply over demand.

Mitigation: With the onset of the Covid-19 pandemic, the demand for sugar has been on an increase due to its involvement in the pharmaceutical sector as well as being available as an essential good in the market.

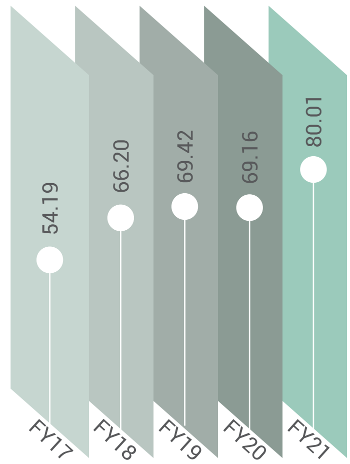
Non-sugar revenues (in ₹ Crore)



Procurement risk: The Company may face risks involved in the procurement of sugarcane.

Mitigation: The Company is engaged with 261,140 cane farmers and has undertaken various welfare initiatives, which have further helped in increasing farm productivity.

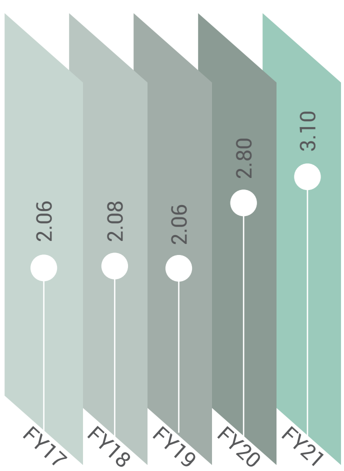
Cane crushed (in Lakh Tonnes)



Quality risk: The Company may face the risk of low-quality sugarcane.

Mitigation: The Company has been one of the pioneers in growing early-maturing cane varieties. Moreover, with the provision of subsidized insecticides and spread of awareness about new farming techniques, the Company has been able to overcome this risk.

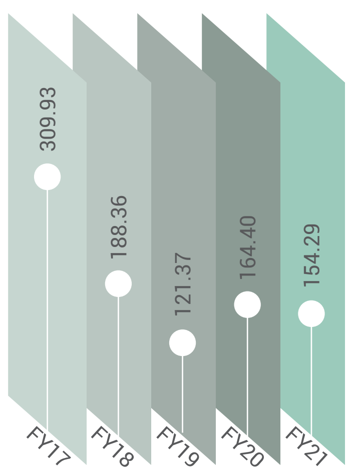
Sugar losses (%)



Financial risk: The Company may face risks due to increasing debts.

Mitigation: The Company has regularly repaid its debts, thereby strengthening its financials.

Debt repayment (in ₹ Crore)



Financial overview

Analysis of the statement of profit and loss

Revenues: Revenues from operations reported a 20% growth from ₹3,526.07 Crore in FY 2019-20 to ₹4,231.50 Crore in FY 2020-21. Other Incomes of the Company accounted for only 0.41% share of the Company's revenues, reflecting the Company's dependence on its core business operations.

Expenses: Total expenses of the Company increased by 18% from ₹3,340.55 Crore in FY 2019-20 to ₹3,933.71 Crore. Raw material costs, accounting for a 76% share of the Company's revenues, increased by 19% from ₹2,714.88 Crore in FY 2019-20 to ₹3,225.69 Crore in FY 2020-21 owing to an increase in the operational scale of the Company. Employee expenses, accounting for a 3% share of the Company's revenues, increased by 5% from ₹140.72 Crore in FY 2019-20 to ₹147.11 Crore in FY 2020-21.

Analysis of the Balance Sheet

Sources of funds: The capital employed by the Company increased by 7% from ₹1840.95 Crore as on March 31, 2020 to ₹1,966.15 Crore as on March 31, 2021. Return on capital employed, a measurement of returns derived from every rupee invested in the business increased by 292 basis points from 17.18% in FY 2019-20 to 20.10% in FY 2020-21.

The net worth of the Company increased by 15% from ₹1,361.67 Crore as on March 31, 2020 to ₹1,560.06 Crore as on March 31, 2021 owing to increase in reserves and surpluses. The Company's equity share capital comprising 66,38,75,90 equity shares of ₹10 each, remained unchanged during the year under review.

Long-term debt of the Company decreased by 19% to ₹431.14 Crore as on March 31, 2021. Long-term debt equity ratio of the Company stood at 0.28 in FY 2020-21 compared to 0.39 in FY 2019-20.

Finance costs of the Company decreased by 21% from ₹100.59 Crore in FY 2019-20 to ₹79.88 Crore in FY 2020-21. The Company's interest cover stood at a comfortable 4.95x in FY 2020-21, compared to 3.14x in FY 2019-20.

Applications of funds

Gross fixed assets of the Company increased by 2% from ₹2,611.57 Crore as on March 31, 2020 to ₹2,656.55 Crore as on March 31, 2021. Accumulated depreciation on tangible assets increased by 7% from ₹995.55 Crore in FY 2019-20 to ₹1,063.33 Crore in FY 2020-21, owing to an increase in fixed assets during the year under review.

Liquidity increased as a result of decline in trade receivables from ₹343.21 Crore as on March 31, 2020 to ₹296.68 Crore as on March 31, 2021. The Company's debtors' turnover cycle stood at 27 days in FY 2020-21 compared to 38 days in FY 2019-20.

Investments

Non-current investments of the Company increased from ₹2.34 Crore as on March 31, 2020 to ₹2.60 Crore as on March 31, 2021.

Working capital management

Current assets of the Company decreased by 18% from ₹2,190.76 Crore as on March 31, 2020 to ₹1,804.73 Crore as on March 31, 2021 owing to a decrease in inventories of the Company. The Current and Quick ratios of the Company stood at 1.20 and 0.37 respectively in FY 2020-21, compared to 1.08 and 0.31 respectively in FY 2019-20.

Inventories including raw materials, work-in-progress and finished goods, among others, decreased by 19% from ₹1,603.70 Crore as on March 31, 2020 to ₹1,292.55 Crore as on March 31, 2021. The inventory cycle decreased from 165 days of turnover equivalent in FY 2019-20 to 111 days of turnover equivalent in FY 2020-21.

Cash and bank balances of the Company increased by 390% from ₹16.37 Crore as on March 31, 2020 to ₹80.16 Crore as on March 31, 2021. Loans and advances made by the Company decreased by 11% from ₹12.17 Crore as on March 31, 2020 to ₹10.88 Crore.

Margins

The EBIDTA margin increased by 10 basis points from 11.03% in FY 2019-20 to 11.13% while net profit margin declined 91 basis points.

Key ratios and numbers

Particulars	FY 2020-21	FY 2019-20	Change in %	Explanation for change of 25% or more
EBITDA/Turnover (%)	11.13	11.03	1	NA
EBITDA/Net interest ratio (x)	5.92	3.9	52	Improvement in the ratio is due to lower finance cost and higher operating profits in FY 2020-21
Debt-equity ratio (x)	0.28	0.39	(28)	Reduction is on account of lower debt
Return on equity (%)	16	17	(6)	NA
Book value per share (₹)	234.99	205.11	15	NA
Earnings per share (₹)	34.52	32.61	6	NA
Debtor's turnover (days)	27	38	(29)	On account of an increase in turnover by 19% in FY 2020-21 and decrease in trade receivable compared to FY 2019-20
Inventory turnover (days)	111	165	(33)	Due to increase in sales volume during FY 2020-21
Interest coverage Ratio (x)	4.95	3.14	58	Improvement in the ratio was due to lower finance cost and higher profits in FY 2020-21
Current ratio (x)	1.2	1.08	11	NA
Net profit margin (%)	5.39	6.3	(14)	NA

Risks and concerns

Risk, which is the demonstration of business ambiguity affecting corporate success and prospects, is an inherent part of business. The Company follows an explicit and comprehensive risk management process, which is amalgamated with its operations. This enables the Company to recognize, classify and compute managerial, financial and tactical business risks. To handle the identified risks, the Company continues to spend substantial time, effort and personnel to alleviate such risks.

Internal control systems and their adequacy

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively

Human resources and industrial relations

The Company believes that the quality of the employees is the key to its success and is committed to equip them with skills, enabling them to seamlessly evolve with ongoing technological advancements.

During the year, the Company organized training programmes in different areas such as technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct. The Company's employee strength stood at 2806 as on March 31, 2021.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations.

BOARD REPORT

To the members
DHAMPUR SUGAR MILLS LIMITED

The Directors have pleasure in presenting 86th Annual Report of the Company together with the Audited Accounts for the year ended March 31, 2021.

Financial Results

(₹ in Crore)

Particulars	Consolidated		Standalone	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations	4248.97	3556.21	4233.51	3423.91
Profit before finance costs, tax, depreciation and amortization, exceptional items and other comprehensive income	472.85	392.29	477.80	395.71
Less: Finance costs	79.88	100.59	79.67	100.07
Less: Depreciation and Amortization expense	77.71	76.04	77.10	75.39
Profit before tax	315.26	215.66	305.03	202.99
Provision for tax	86.17	(8.37)	86.17	(8.38)
Profit for the year	229.09	224.03	218.86	211.37
Profit / (loss) for the period from discontinued operation before tax	(0.12)	(8.40)	-	-
Tax expense on discontinued operation	-	-	-	-
Profit / (loss) for the period from discontinued operation after tax	(0.12)	(8.40)	-	-
Net Profit for the year	228.97	215.63	-	-
Other comprehensive income (net of tax)	8.50	(7.74)	8.24	(7.82)
Total comprehensive income for the year	237.47	207.89	227.10	203.55

Operational Performance

The key operational data of the Company is as under:

Sugar operations at a glance

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cane crushed (in Lakh ton)	80.01	69.16
Net Recovery (%)	10.64%	11.08%
Sugar Produced from Cane (in Lakh ton)	8.51	7.66

Co-generation operations at a glance

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Power generated (in Crore units) (M.W.)	74.16	69.28
Sale to UPPCL (in Crore units) (M.W.)	35.43	35.24

Chemical operations at a glance

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
RS/ENA/Ethanol produced (in Lakh bulk liters)	1124.27	1050.77
Chemicals produced (in Lakh kilograms)	246.04	176.39

Company's Performance during FY 2021

Company's Performance during the Financial Year 2020-21 has been explained in Management Discussion and Analysis Report which forms an integral part of this Board's Report.

Impact of Global Crisis - Covid -19

The COVID-19 pandemic is a defining global crisis that has transformed the way we think, live and work. The spread of the virus disrupted the global economy and consumer sentiment starting December 2019. The virus was declared a global pandemic by the World Health Organisation in March 2020. The Indian government declared a lockdown starting 24 March 2020 that extended into the financial year under review.

The Company was provided permission to operate its manufacturing units through the lockdown. The Company ensured the safety of its employees and is complying with all the norms related to social distancing, thermal scanning, wearing of face mask, proper sanitization, and hygiene at all its factories. The work from home policy is still continuing at the corporate office of the Company.

There has been no material impact on the business of the Company, and it does not foresee any material impact on the operational results and the financial health as sugar and the allied products which the Company is manufacturing are all essential commodities.

Consolidated Financial Statements and Subsidiary/ Associate & Joint Venture Companies

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

As at March 31, 2021, the Company has four subsidaries in terms of the provisions of the Companies Act, 2013, namely, Dhampur International Pte Limited, a Wholly Owned Subsidiary, (in Singapore), Ehaat Limited, Wholly Owned Subsidiary, Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited), Wholly Owned Subsidiary and DETS Limited, Subsidiary of the Company.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules 2014, a report on the performance and financial position of the Subsidiary Companies as per Companies Act, 2013 is given in the Form AOC 1 annexed as Annexure 2 and forms an integral part of this Report.

Dhampur International Pte Limited has achieved the turnover of ₹86.52 Crore for the year ended March 31, 2021, as compared to ₹152.80 Crore last year.

Ehaat Limited has decided to close down its operations so there is no business for the year ended March 31, 2021, as compared to ₹13.21 Crore last year.

Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited) is yet to start its business since it is newly incorporated.

DETS Limited has no business for the year ended March 31, 2021, as compared to ₹0.26 Crore last year.

Audited Financial Statement for the Subsidiary Companies for FY 2020-21 have been placed on the website of the Company i.e., www.dhampur.com, and are available for inspection at the Company's registered office and at the registered office of the Subsidiary Company.

Material Changes and Commitments during the Year

There are no material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2021, and at the date of the Report, as required under Section 134(3) (l) of the Companies Act, 2013.

Change in the Nature of Business

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

Dividend

During the period under review, the Company had declared and paid Interim Dividend @60% i.e., ₹6.00 per Equity Share of ₹10 each.

The Interim Dividend declared by the Board of Directors is proposed to be confirmed as Final by Shareholders in the ensuing Annual General Meeting.

The Company has a Dividend Distribution Policy and same has been hosted on the website of the Company i.e., www.dhampur.com.

Details of Unclaimed Dividend and Investor Education and Protection Fund

Details of Unclaimed Dividends and disclosure with respect to Investor Education and Protection Fund forms part of Corporate Governance Report.

Reserves

The Company has earned Net Profit after tax of ₹218.86 Crore for the year ended March 31, 2021, which has been adjusted in Retained Earnings. During the year under review, the Company has transferred ₹0.53 Crore to Molasses Reserve Fund, which is also stated in the notes to Financial Statements forming part of this Report.

Share Capital

The paid-up Equity Share Capital of the Company as at March 31, 2021 stood at ₹66.38 Crore (66387590 Equity shares of ₹10 each). During the year under review, the Company has not issued any shares or convertible securities or shares with differential voting rights, nor has granted any stock option, sweat equity or warrants.

During the year, the pending amount on partly paid shares was received by the Company from the respective shareholders consequent to the reminders sent by the Company. Therefore the Partly Paid shares were made Fully Paid and it was duly intimated to Stock Exchanges and Depositories and updated in the records.

Directors and Key Managerial Personnel

During the year Shri Harish Saluja and Shri Rahul Bedi, Non-Executive Independent Directors of the Company, retired by rotation w.e.f. September 2, 2020.

Shri Mahendar ceased to be the Nominee Director of the Company w.e.f June 17, 2020 as his name was withdrawn by Punjab National Bank.

Shri Yashwardhan Poddar and Shri Satpal Kumar Arora, were appointed as Non- Executive Independent Directors of the Company w.e.f. July 30, 2020, for a period of Five Years.

The Board have duly considered the integrity, expertise and experience including the proficiency of Shri Yashwardhan Poddar and Shri Satpal Kumar Arora while considering their appointment with details as under:

Particulars	Shri Yashwardhan Poddar	Shri Satpal Kumar Arora
Expertise	Industrialist, Business Strategy, Leadership, Formulation and Implementation of Policies and Planning.	Corporate Banking and Project Financing, Legal Compliance alongwith Corporate Governance
Experience	19 years	37 Years

Smt. Nandita Chaturvedi was re-appointed as Non- Executive Independent Director for another term of Five Years w.e.f. September 10, 2020.

Shri Ashok Kumar Goel, Shri Gaurav Goel, and Shri Sandeep Kumar Sharma shall retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment. Brief profile of Directors being re-appointed is given in the Notice convening the ensuing Annual General Meeting of the Company.

Shri Susheel Kumar Mehrotra was appointed as Chief Financial Officer of the Company w.e.f. February 2, 2021.

Shri Nalin Kumar Gupta, existing Chief Financial Officer was designated as Joint Chief Financial Officer of the Company.

Deposits

I. Accepted during the year: ₹17,15,53,000.

II. Remained unpaid or unclaimed (excluding interest thereon) as at the end of the year: ₹2,76,000.

III. If there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:

At the beginning of the year	NIL
Maximum during the year	NIL
At the end of the year	NIL

The Board of Directors of the Company has decided to discontinue the acceptance of deposits w.e.f. February 3, 2021.

The Board of Directors in its meeting held on April 8, 2021, has decided to accept the deposits again subject to the fulfillment of necessary conditions.

Deposits not in compliance with Chapter V of the Act

The Company is in compliance with all the applicable provisions of the Companies Act, 2013.

Particulars of Loans, Guarantees or Investment

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements forming part of this annual report.

Related Party Transactions

All the transactions carried out with related parties for the year under review were on arm's length basis, which were duly approved by the Audit Committee and are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website i.e., www.dhampur.com.

Your directors draw attention of the members to Note No. 46 of the Standalone Financial Statements which sets out related party disclosures.

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and are not material in nature and thus disclosure in Form AOC-2 in terms of Section 134 of Companies Act, 2013 is not required.

Credit Rating

CARE Ratings, a Credit Rating Agency has assigned the credit rating of "CARE A; Stable (Single A; Outlook: Stable") for Long term and Short-term Credit Facilities from Banks and Fixed Deposits accepted by the Company respectively.

India Ratings and Research (Ind-Ra) has assigned Dhampur Sugar Mills Limited (DSML) a Long-Term Issuer Rating of 'IND A+'. The Outlook is Stable.

Auditors

Statutory Auditors and their Audit Report:

M/s. TR Chadha & Co. LLP, Chartered Accountants (ICAI Firm Registration number 006711N/N500028) and M/s. Atul Garg & Associates, Chartered Accountants, (ICAI Firm Registration number 001544C) are Joint Statutory Auditors of the Company and shall continue to be Statutory Auditors till the conclusion of Eighty Seventh Annual General Meeting to be held in the year 2022. The report given by the Auditors on the Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2021, forms part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their reports.

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

Cost Accounts and Cost Auditors

The Cost Records required under Section 148 of the Companies Act, 2013 and rules made thereunder and are maintained in compliance with the provisions. Shri S.R.Kapur, (Cost Accountant, Khatauli), Cost Auditors of the Company have duly submitted the Cost Audit Report for the period under review.

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors, on the recommendation of Audit Committee, has re-appointed Shri S.R. Kapur, Cost Accountant, Khatauli as Cost Auditors to audit the Cost Accounts of the Company for the Financial Year 2021-22. As required under the Companies Act, 2013 the remuneration payable to Cost Auditors is required to be placed before the members in ensuing Annual General Meeting for their ratification. Accordingly, a resolution seeking member's ratification for the remuneration payable to Shri S. R. Kapur, Cost Auditors is included in the Notice convening Annual General Meeting of the Company.

Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of Directors, on the recommendation of Audit Committee has appointed M/s S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi as Internal Auditors of the Company for the Financial Year 2021-22.

Internal Financial Control

The Company's Internal Control system with reference to the financial statements are adequate and commensurate with the nature of its business and the size and complexity of its operations. Periodic Audits and checks are conducted and the controls to prevent, detect and correct irregularities in the operations have been laid down by the Company.

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s. GSK & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as Annexure 3 and forms an integral part of this report. There is no secretarial audit qualification for the financial year under review.

Annual Secretarial Compliance Report as required under Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended is also annexed as Annexure 3A and forms part of this report.

Management Discussion and Analysis

The Management Discussion and Analysis Report on the operations of the Company, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this report.

Corporate Governance

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended a separate section on Corporate Governance practices followed by the Company, together with a certificate from M/s. GSK & Associates, a firm of Company Secretaries in Practice, confirming compliance forms an integral part of this report.

Compliance with Secretarial Standards

The Company complies with all the applicable mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.

Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 our Directors state that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit and Loss (including other comprehensive income) of the Company for that period;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) the Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Declaration by Independent Directors

The Company has received declaration from all Independent Directors as under in accordance with the provisions of Section 149(6) of Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto:

Shri Mahesh Prasad Mehrotra

Shri Priya Brat

Shri Ashwani Kumar Gupta

Shri Yashwardhan Poddar

Shri Satpal Kumar Arora

Smt. Nandita Chaturvedi

The Company has also received confirmation from all the Independent Directors that they have not incurred disqualification under section 164(2) of the Companies Act, 2013 in any of the Companies, in the previous financial year, and that they are at present, stand free from any disqualification from being a Director. The Independent Directors have also confirmed their compliance with the Code for Independent Directors, as prescribed in Schedule IV to the Companies Act, 2013, and the Code of Conduct and Business Ethics for Board Members and Senior Management of the Company.

Details of Board Meetings held during the year

The Board of Directors met six times during the Financial Year 2020-21. Details of the Board Meetings and attendance at the meetings held during the Financial Year 2020-21 forms part of the Corporate Governance Report, which forms part of this report.

Committees of the Board

The Board of Directors have following Committees:

Mandatory Committees:

Audit Committee

Nomination and Remuneration Committee

Stakeholders' Relationship Committee

Corporate Social Responsibility Committee (CSR Committee)

The details of the Committees alongwith their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report forming part of this report.

Corporate Social Responsibility

The composition of CSR committee is as under:

Shri Vijay Kumar Goel, Chairman

Shri Gaurav Goel, Member

Shri Mahesh Prasad Mehrotra, Member

Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been amended substantially with effect from January 22, 2021. In terms of the provisions of the Act read with amended Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR activities in the format prescribed is annexed as Annexure 4 to this report. In line with the said amendments, the Company has amended the existing policy. The policy is uploaded on the Company's website i.e www.dhampur.com.

Non-Mandatory Committees

The Company has also constituted a committee named Finance Sub Committee, in order to carry out routine functions of the Company. The Committee has met 9 (nine) times during the Financial Year 2020-21 on the following dates: -

May 29, 2020, July 2, 2020, July 13, 2020, August 31, 2020, October 19, 2020, November 24, 2020, December 9, 2020, February 22, 2021, and March 31, 2021.

The Company has voluntarily formed Risk Management Committee for the purpose of Risk Management by the Company.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the evaluation of its own performance and that of the Board Committees, viz. Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholders' Relationship Committee as well as evaluation of the performance of Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, corporate governance practices and stakeholders' interests, etc. A separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, meeting risk management and competition challenges, compliance and due diligence, financial control, safeguarding the interest of the Company and its minority shareholders etc.

During the year 2020-21, Shri Yashwardhan Poddar and Shri Satpal Kumar Arora were appointed as Non-Executive Independent Directors on July 30, 2020.They were informed about their role and responsibilities and were given an overview of business, operations and business model of the Company including other Directors.

The performance evaluation of all the Directors including Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The Nomination and Remuneration Committee also carried out evaluation of every Director's performance, after laying down criteria for evaluation by way of the aforesaid structured questionnaire. The Directors expressed satisfaction with the evaluation process and results thereof.

Nomination and Remuneration Policy

The Board of Directors have framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. Details of this policy are set out in the Corporate Governance Report which forms a part of this Report. The remuneration policy is in consonance with the existing policy of the Company. The Nomination and Remuneration Policy as approved by the Board is uploaded on the Company's website i.e., www.dhampur.com.

Risk Management Policy

Risk Management Policy of the Company is in place for Risk assessment and mitigation. Risk procedures are periodically reviewed to ensure control on Risk through properly defined framework. The Company's Risk Management strategy is integrated with its overall business strategies and is communicated throughout the organisation. The Policy facilitates in identification of risks at appropriate time and ensures necessary steps to be taken to mitigate the risks.

Vigil Mechanism/Whistle Blower Policy

The Company has formulated Vigil Mechanism /Whistle Blower Policy for Directors and Employees in order to keep high standards of ethical behaviour and provide safeguards to whistle blower.

The Vigil Mechanism/Whistle Blower Policy as approved by the Board is uploaded on the Company's website at www.dhampur.com.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed during the year 2020-21.

No. of complaints filed during the financial year	Nil
No. of complaints received	Nil
No. of complaints disposed	Nil

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure 5 and forms an integral part of this report.

Annual Return

According to the provisions of Section 92(3) of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, The Annual Return of the Company in Form MGT -7 has been placed on the website of the Company i.e. www.dhampur.com.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

There was no such order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

There was no such application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

Business Responsibility Report

Business Responsibility Report as required under Regulation 34(2) of the Listing Regulations, as amended from time to time is annexed as Annexure 6 and forms part of this report.

Human Resources and Industrial Relations

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has structured induction process at all locations and management development programmes to update skills of managers. Industrial relations remained cordial and harmonious during the year.

Statutory Information

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure 1 and forms an integral part of this Report. A statement furnishing the names of Top Ten employees in terms of remuneration drawn and persons employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure 7 and forms an integral part of this Report.

The above annexure is not being sent along with this Annual Report to the Members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the registered office of the Company, twenty-one days before and up to the date of the ensuing Annual General Meeting during the business hours on working days.

None of the employees listed in the said annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the Equity Shares of the Company.

Acknowledgements

Your Directors place on record their acknowledgement and sincere appreciation to the shareholders for their confidence in the management of the Company, the Central Government, the State Government, Banks and Financial Institutions for their continued support, the cane growers for their efforts in ensuring timely cane supply, the Company's employees for their relentless and dedicated efforts, resulting in the Company's growth and look forward to a bright future.

For and on behalf of the Board of Directors

Place: New Delhi
Date: April 24, 2021

Ashok Kumar Goel
Vice Chairman
(DIN: 00076553)

Annexure – 1

Statement of Disclosure of remuneration pursuant to Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Designation	DIN	Ratio
Shri Vijay Kumar Goel	Promoter, Chairman and Whole-Time Director	00075317	66.37:1
Shri Ashok Kumar Goel	Promoter, Vice Chairman and Whole-Time Director	00076553	61.86:1
Shri Gaurav Goel	Promoter and Managing Director	00076111	54.74:1
Shri Gautam Goel	Promoter and Managing Director	00076326	61.86:1
Shri Sandeep Kumar Sharma	Whole Time Director	06906510	34.60:1

2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year:

Name of the Director	Designation	DIN	Ratio
Shri Vijay Kumar Goel	Promoter, Chairman and Whole-Time Director	00075317	15.68%
Shri Ashok Kumar Goel	Promoter, Vice Chairman and Whole-Time Director	00076553	9.29%
Shri Gaurav Goel	Promoter and Managing Director	00076111	12.74%
Shri Gautam Goel	Promoter and Managing Director	00076326	8.82%
Shri Sandeep Kumar Sharma	Whole Time Director	06906510	16.22%
Shri Susheel Kumar Mehrotra*	Chief Financial Officer	AAEPM3203H	N.A.
Shri Nalin Kumar Gupta	Joint Chief Financial Officer	AAOPG5264E	17.27%
Ms. Aparna Goel	Company Secretary	ALYPG4814H	16.40%

*Appointed w.e.f. February 2, 2021

3. **Percentage increase in the median remuneration of employees in the financial year:** 8%

4. **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:** 7.5%

   Justification: Remuneration paid to the managerial personnel are as per recommendation of Nomination and Remuneration committee and as approved by the Board and Shareholders of the Company.

5. **Number of permanent employees on the rolls of company:** 2806

6. **The key parameters for any variable component of remuneration availed by the Directors:** Commission on Net Profits of the Company to be paid to Promoter Directors: ₹12.00 Crore.

7. **Affirmation that the remuneration is as per the remuneration policy of the Company:** The Company affirms that the remuneration is as per the remuneration policy of the Company.

Notes: The Non-Executive Directors of the Company are entitled for sitting fees and commission as per statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in Corporate Governance Report and forms part of this report. The remuneration to Non-Executive Directors is also governed by Nomination and Remuneration Policy of the Company. Therefore, the calculation of ratio of remuneration and percentage increase in remuneration of Non- Executive Directors would not be relevant and hence has not been provided.

For and on behalf of the Board of Directors

Ashok Kumar Goel
Vice Chairman
(DIN: 00076553)

Place: New Delhi
Date: April 24, 2021

Annexure – 2

Form No. AOC-1

Statement containing salient features of the Financial Statements of Subsidiaries/Associate Companies/Joint Ventures

(Pursuant to first proviso to Sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Crore)

1. Name of the subsidiary: Dhampur International Pte Limited, Ehaat Limited, DETS Limited and Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited).
2. Reporting period for the subsidiaries concerned: - April 01, 2020, to March 31, 2021.
3. Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries: USD (1 USD = ₹73.50)
4. Other Information:

Particulars	Dhampur International Pte Limited * (₹ in Crore)	DETS Limited ** (₹ in Crore)	EHAAT Limited *** (₹ in Crore)	Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited) **** (₹ in Crore)
Share Capital (including share application money)	36.93	0.84	3.77	0.01
The date since when subsidiary was acquired	09.07.2009 (Since Incorporation)	03.10.2016 (Since Incorporation)	24.10.2016 (Since Incorporation)	31.03.2021
Shareholding (in Percentage)	100%	51%	100%	100%
Reserves & Surplus	(26.13)	(0.82)	(3.56)	(0.01)
Total Assets	23.40	1.77	0.95	0
Total Liabilities	12.60	1.75	0.74	0
Investments	0	0	0	0
Revenue from Operation (Previous Year)	86.51 (152.80)	0.00 (0.26)	0.00 (13.21)	0
Profit/(Loss) before Taxation	(5.33)	(0.46)	(0.12)	(0.01)
Provision for Taxation	0	0	0	0
Profit after Taxation	(5.33)	(0.46)	(0.12)	(0.01)
Proposed Dividend	NIL	NIL	NIL	NIL
% of Shareholding	100%	51%	100%	100%

i) Name of Subsidiaries which are yet to commence operations: Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited)

ii) Name of Subsidiaries which have been liquidated or sold during the year: N.A.

* Based at Singapore, Trading in Commodities.

** Manufacturing and fabricating plant and machineries and other engineering goods and equipment.

*** Trading in Consumer Products.

**** Manufacturing of sugar and co-generation of power and manufacturing of Chemicals.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

The Company has no associate companies or joint ventures.

For and on behalf of the Board of Directors

Ashok Kumar Goel
Vice Chairman
(DIN: 00076553)

Place: New Delhi
Date: April 24, 2021

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2021)

To
The Members
Dhampur Sugar Mills Limited
District Bijnor, Dhampur,
Uttar Pradesh – 246761

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by DHAMPUR SUGAR MILLS LIMITED(CIN:L15249UP1933PLC000511) (here in after 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 the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the year ended on March 31, 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 the Company for the year ended on March 31, 2021 according to the provisions of:

I.

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

  a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;

  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 to the Company during the audit period);

  d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on October 28, 2014 (Not applicable to the company during the audit period);

  e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the company during the audit period);

  f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.

  g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the company during the audit period); and

  h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the company during the audit period);

  i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015; as amended from time to time

II.

- Food Safety and Standards Act, 2006
- Essential Commodities Act, 1955
- Sugar Development Fund Act, 1982
- Export (Quality Control and Inspection) Act, 1963
- Agricultural and Processed Food Products Export Act, 1986
- Indian Boilers Act, 1923

During the year under review, the Company has made all compliances under Sector specific laws mentioned above.

III.

- The Air (Prevention & Control of Pollution) Act, 1981 [Read with the Air (Prevention & Control of Pollution) Rules, 1982]
- The Environment (Protection) Act, 1986 [Read with the Environment (Protection) Rules, 1986]
- The Water (Prevention & Control of Pollution) Act, 1974 [Read with the Water (Prevention & Control of Pollution) Rules, 1975
- The Hazardous Waste (Management, Handling And Transboundry Movement) Rules, 2008
- The Factories Act, 1948
- The Industrial Disputes Act, 1947
- U.P. Industrial Disputes Act,1947
- Standing Order covering the conditions of employment of workmen in Vacuum Pan Sugar Factories in U.P.
- U.P. Sugar Wage Board (Constituted under U.P. Industrial Disputes Act, 1947)
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Maternity Benefit Act, 1961
- The Child Labour(Prohibition and Regulation) Act, 1986
- The Industrial Employment (Standing Orders) Act, 1946
- The Employees' Compensation Act, 1923 (earlier known as Workmen's Compensation Act, 1923
- The Apprentices Act, 1961
- The Employees' State Insurance Act, 1948
- Public Liability Insurance Act, 1991 amended upto 1992 & Rules 1991 amended upto 2003
- Sexual harassment of women at the workplace (Prevention, Prohibition, Redressal) Act, 2013
- Goods and Services Tax Act, 2017 (CGST)
- U.P. GST Act,2017
- U.P. Molasses Control Act, 1964

During the year under review the Company has filed periodical return and has not received any show cause notice and has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representation made by the Company and its officers on systems and mechanism formed by the Company for compliance under other Act, Laws and Regulations to the Company.

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

a. Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Central Government.

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

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

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 year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while there has been no member dissenting from the decisions arrived.

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, Shri Yashwardhan Poddar and Shri Satpal Kumar Arora were appointed as Non-Executive Independent Director on July 30, 2020 by the Board of Directors for a first term of five consecutive years with effect from July 30, 2020 upto July 29, 2025, subject to the Shareholder's approval which was obtained on September 29, 2020.

We further report that, Smt. Nandita Chaturvedi was reappointed as Non-Executive Independent Director of the Company at Annual General Meeting held on September 29, 2020 for another term of five consecutive years w.e.f September 10, 2020 till September 9, 2025.

We further report that, Shri Harish Saluja retired from the post of directorship of the Company w.e.f. September 2, 2020.

We further report that, Shri Rahul Bedi retired from the post of directorship of the Company w.e.f. September 2, 2020.

We further report that, Shri Mahendar ceased to be a nominee director of the Company w.e.f June 17, 2020 as his name was withdrawn by Punjab National Bank.

We further report that, Shri Susheel Kumar Mehrotra was appointed as CFO of the Company w.e.f February 2, 2021 and Shri Nalin Kumar Gupta who was already appointed as CFO of the Company is acting as Joint CFO of the Company w.e.f February 2, 2021.

We further report that, the Company has acquired 100% shareholding in Dhampur Bio Organics Limited (Formerly RMSD Enterprises Private Limited) and consequently it has become Wholly Owned Subsidiary of the Company w.e.f March 31, 2021.

For GSK & Associates
(Company Secretaries)

Saket Sharma
Partner
(Membership No.: F4229)
(CP No.: 2565)
UDIN: F004229C000172826

Place: Kanpur
Date: April 24, 2021

Annexure – 3A

SECRETARIAL COMPLIANCE REPORT

(Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 for the year ended March 31, 2021)

To
The Members
Dhampur Sugar Mills Limited
District Bijnor, Dhampur,
Uttar Pradesh – 246761

We, GSK & Associates have examined:

a) all the documents and records made available to us and explanation provided by Dhampur Sugar Mills Limited ("the listed entity"),

b) the filings/ submissions made by the listed entity to the stock exchanges,

c) website of the listed company,

d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended March 31, 2021 in respect of compliance with the provisions of:

a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;(Not applicable to the Company during the period under review);

c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;(Not applicable to the Company during the period under review);

d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the period under review);

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013; (Not applicable to the Company during the period under review);

f) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

g) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;(Not applicable to the Company during the period under review);

h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; as amended from time to time;

i) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with clientand;

j) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder and based on the above examination, we hereby report that, during the Review Period:

   a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
NIL		

b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

c) No action was required to be taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

Sr. No	Action taken by	Details of Violation	Details of action taken E.g. fines, warning letter, debarment, etc	Observations/ remarks of the Practicing Company Secretary, if any.
NIL				

d) This listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations made in the secretarial compliance report	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable			

For GSK & Associates
(Company Secretaries)

Saket Sharma
Partner
(Membership No.: F4229)
(CP No.: 2565)
UDIN: F004229C000172826

Place: Kanpur
Date: April 24, 2021

Annexure – 4

ANNUAL REPORT ON CSR INITIATIVES

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

The CSR Policy sets out the Company's commitment and approach towards Corporate Social Responsibility of improving the quality of life of the communities it serves.

The Company is committed to improving the quality of lives of people in the community it serves through long term stakeholder value creation. It pledges itself to care for and serve the community by designing sustainable development model that leads to socio-economic development and ecological development in its area of influence.

The Company focusses its CSR on activities relating to promoting education, sports, good agricultural practices, skill development, women empowerment, healthcare and sanitation, rural development , environment sustainability, etc.

In addition to the identified areas of focus mentioned above, the Company may also undertake other activities defined in Schedule VII of the Companies Act, 2013. The CSR policy has been uploaded on the website of the Company at www.dhampur.com

2) **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Vijay Kumar Goel,	Chairman	3	3
2	Shri Gaurav Goel	Member	3	3
3	Shri Mahesh Prasad Mehrotra	Member	3	3

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

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

5) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : Not Applicable

6) Average net profit of the company as per section 135(5). : ₹264.53 Crore

7) (a) Two percent of average net profit of the company as per section 135(5) : ₹5.29 Crore

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c).: ₹5.29 Crore

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

Total Amount Spent for the Financial Year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (₹ in Crore)	Date of transfer	Name of the Fund	Amount	Date of transfer
0.40	4.90	29.04.2021	-	Nil	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (₹ in Crore)	Amount spent in the current financial Year (₹ in Crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Crore)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number *
1.	Project on Empowerment of Women and other Economically backward sections	(iii)	Yes	U.P, District Bijnor and Sambhal, In proximity to factory areas of the Company		3 years	0.50	0.19	0.31	No	Milan Foundation	NA
2.	Project on Promotion of Education	(ii)	Yes	U.P, District, Bijnor and Sambhal In proximity to factory areas of the Company		3 Years	1.53	0	1.53	Partially Direct	Partially Through Academy of Modern Learning Trust.	NA
3.	Project on Promotion of Sports	(vii)	Yes	U.P, District Bijnor and Sambhal In proximity to factory areas of the Company		2 Years	1.86	0	1.86	Partially Direct	Partially through Academy of Modern Learning Trust.	NA
4.	Project on promoting health care including preventive health care	(i)	Yes	U.P, District Bijnor and Sambhal, In proximity to factory areas of the Company		3 Years	0.40	0	0.40	No	PHD Rural Development Foundation	NA
5.	Project on Rural Development	(x)	Yes	U.P, District Bijnor and Sambhal, In proximity to factory areas of the Company		3 Years	0.80	0	0.80	No	PHD Rural Development Foundation	NA
	Total						**5.09**	**0.19**	**4.90**			

* CSR registration will be obtained within the prescribed timeline, wherever applicable, as per the CSR Amendment Rules. The requirement does not apply to CSR projects or programs approved prior to April 1, 2021.

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Crore)	Mode of implementation - Direct (Yes/No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR registration number *
1.	Contribution related to Eradicating Hunger, Poverty, Promoting Healthcare and Sanitation (including Covid-19 contribution)	(i)	Yes	U.P and Delhi In proximity to factory areas at Dhampur, Asmoli, Rajpura, Mansurpur and Meerganj, District Bijnor, Sambhal, Muzaffarnagar and Bareilly . In proximity to Corporate office of the Company, New Delhi.		0.07	Yes	NA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Crore)	Mode of implementation - Direct (Yes/No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR registration number *
2.	Promoting Education and Skill Development	(ii)	Yes	U.P and Delhi In proximity to factory areas at Dhampur, Asmoli, and Rajpura, District Bijnor and Sambhal. In proximity to Corporate office of the Company, New Delhi.		0.13	Yes	N.A.	N.A.
3.	Contribution to National Information and Welfare Trust	(viii)	N.A.	N.A.		0.01	Yes	NA	NA
	Total					0.21			

* CSR registration will be obtained within the prescribed timeline, wherever applicable, as per the CSR Amendment Rules. The requirement does not apply to CSR projects or programs approved prior to April 1, 2021.

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹0.40 Crore

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Crore)
(i)	Two percent of average net profit of the company as per section 135(5)	5.29
(ii)	Total amount spent for the Financial Year	0.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Crore)	Amount spent in the reporting Financial Year (₹ in Crore)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (₹ in Crore)
				Name of the Fund	Amount (₹ in Crore)	Date of transfer	
1.	2019-20	0	3.02	-	0	-	0

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable, as the concept of 'ongoing projects' has been introduced in the CSR Amendment Rules, relevant from fiscal year 2021. Details of amount spent on all ongoing projects during fiscal year 2021 are covered in point 8(b) above.

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year :

(asset-wise details)

(a) Date of creation or acquisition of the capital asset(s).: - Extension of Academy of Modern Learning (AML) School Building was completed on 28th February, 2021 and 30th September, 2020.

(b) Amount of CSR spent for creation or acquisition of capital asset : ₹1.37 Crore

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:-

Academy of Modern Learning Trust, 241, Okhla Industrial Estate, New Delhi- 110020, Push Niketan School, Dhampur Distt. Bijnor, U.P,

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Academy of Modern Learning, Gunnaur, District Sambhal, U.P.- 243751, Push Niketan School, Dhampur Distt. Bijnor, U.P.

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

Identified Projects are delayed due to Covid 19.

On behalf of the CSR Committee

	Vijay Kumar Goel	Gaurav Goel
Place: New Delhi	Chairman of CSR Committee	Managing Director
Date: April 24, 2021	DIN: 00075317	DIN: 00076111

Annexure – 5

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:

i. 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. Conversion of its quadruple evaporator to quintuple and utilization of Pan Vapor to heat raw juice in one of refinery resulting in improvement in steam economy using waste heat and vapor bleeding system.

c. Integrating on premise DCS system with Cloud based Artificial Intelligence (AI) platform enabled with real time alerts, which helped in monitoring and in saving of energy.

d. 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.

e. Optimization of condensing steam to save latent heat and use it in process.

The impact of the measures taken by the Company is expected to save fuel and power, resulting in lower cost of production.

ii. the steps taken by the company for utilizing alternate sources of energy;

The Company has installed Multi Effect Evaporator sets in distillery units to concentrate spent wash (waste of distillery). The new design uses the residual heat of distillation vapors. It is being used as fuel in especially designed slop boilers (incinerators), which will save environment from pollutants. Slop boiler (incinerator) project is on progress at one of the plant.

iii. the capital investment on energy conservation equipment: ₹7.93 Crore.

B. Technology Absorption:

i. the efforts made towards technology absorption:

a. Water recycle technology for cooling tower.

b. Training and awareness programs for seed treatment and utilization of single bud cane seed.

c. Installation of Micro and Macro nutrient analysis lab.

d. Distribution of improved varieties of seeds.

e. Rearing of cane seed nurseries of improved varieties.

f. Dissemination of technique of tranche and paired row planting.

g. Distribution of fertilizers and bio manures for healthy growth of sugar cane.

h. Automation in Cane Procurement, including Online weighment using 4G technology.

i. Cloud based Sugarcane Information System (SIS) to disseminate cane related information to the farmers, which helped in smooth and transparent working.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

The above mentioned measures will result in saving of ground water, healthy cane with higher recovery will be available to the Company and enhanced income to farmers too.

iii. In case of imported technology: The Company has not imported any technology.

iv. The expenditure incurred on Research and Development: The Company has incurred ₹5.25 Crore 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.

Total foreign exchange earnings and outgo:

(₹ in Crore)

Particulars	Current Year	Previous Year
Export and foreign exchange earnings	535.45	196.64
Imports and expenditure in foreign currency	69.93	31.73

For and on behalf of the Board of Directors

Ashok Kumar Goel
Vice Chairman
(DIN: 00076553)

Place: New Delhi
Date: April 24, 2021

Annexure – 6

BUSINESS RESPONSIBILITY REPORT

(Pursuant to Regulation 34(2) (f) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015)

Section A: General information about the Company

1.	Corporate Identity Number (CIN) of the Company	L15249UP1933PLC000511	
2.	Name of the Company	Dhampur Sugar Mills Limited	
3.	Registered address	District Bijnor, Dhampur U.P. - 246761	
4.	Website	www.dhampur.com	
5.	E-mail id	investordesk@dhampur.com	
6.	Financial Year reported	2020 -21	
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Products	Code
		Manufacturing of Sugar	10721
		Production of Alcohol including Fuel Grade Ethanol and Potable Alcohol	1101
		Generation of Power	35106
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	a) Sugar	
		b) Co-generation of Power	
		c) Alcohol including Fuel Grade Ethanol and Potable Alcohol	
9.	Total number of locations where business activity is undertaken by the Company	(a) Number of international locations - 1 Singapore (Wholly owned Subsidiary)	
		(b) Number of national locations – The Company carries out its operations through its Corporate Office at New Delhi, its registered office and manufacturing facility at Dhampur and other manufacturing facilities at Asmoli, Mansurpur, Rajpura and Meerganj.	
10.	Markets served by the Company–local/state/national/ international	Local, State, National and International	

Section B: Financial details of the Company

1.	Paid-up capital (₹)	66.38 Crore
2.	Total turnover (₹)	4223.51 Crore
3.	Total profit after taxes(₹)	218.86 Crore
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) (₹)	1.56%
5.	List of activities in which expenditure in 4 above has been incurred [Also provide the Annexure number of the CSR in the Directors' Report]	Education - Support to Schools in rural areas
		Eradicating hunger, poverty and malnutrition, promoting healthcare
		Promoting gender equality and empowering women
		Promoting rural sports, nationally recognized sports, Paralympic sports and Olympic sports
		Rural Development Projects
		Please refer to the Annexure 4 of Board's Report forming part of this Annual Report.

Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	Yes • Ehaat Limited • DETS Limited • Dhampur International Pte Limited, Singapore • Dhampur Bio Organics Limited (Formerly RMDS Enterprises Private Limited)
2.	Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	No
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	Not Applicable

Section D: BR Information

1. **Details of Director/Directors responsible for Business Responsibility Policy (BR Policy)**

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

No.	Particulars	Details
1	DIN Number (if applicable)	00076111
2	Name	Shri Gaurav Goel
3	Designation	Managing Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	06906510
2	Name	Shri Sandeep Kumar Sharma
3	Designation	Whole Time Director
4	Telephone number	011-30659400
5	e-mail id	sandeepsharma@dhampur.com

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

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

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

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

P3: Businesses should promote the well-being of all employees.

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

P5: Businesses should respect and promote human rights.

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

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

P8: Businesses should support inclusive growth and equitable development.

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

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for all the principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders? (Answer in Y/N)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? Any certifications? If yes, specify?	Yes, the Policy is based on the "National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business" released by the Ministry of Corporate Affairs.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/appropriate Board Director? (Answer in Y/N)	Policies that are not mandated under the Companies Act, 2013/SEBI Regulations are approved / reviewed by the Senior Management of the Company. However, BR policy is approved by the Board and the same has been signed.								
5	Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy? (Answer in Y/N)	Presently the Implementation of relevant policies covering various principles is the responsibility of respective functions in the Company with reporting to the respective heads. However, CSR committee will oversee implementation of BR policy.								
6	Indicate the link for the policy to be viewed online?	www.dhampur.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders? If yes, How do you communicate?	The Policy has been posted on the Company's website i.e www.dhampur.com for information of external stakeholders and has been communicated to internal stakeholders through various means like Notice Boards and through Intranet of the Company for Internal Communication.								
8	Does the company have in-house structure to implement the policy/policies? (Answer in Y/N)	Y								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies? (Answer in Y/N)	Y								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The assessment of working of the policies are evaluated through internal audits and internal control system of the Company.								

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

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

3. Governance related to BR

(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.	Currently the BR performance of the Company is assessed half yearly by BR head during the year and yearly by CSR committee of the Company.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?	As a statutory requirement, this report has been compiled and is annexed to the duly approved report of the Board of Directors for the Financial Year 2020-21. The report can be viewed at the website of the Company at www.dhampur.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?**

   The policy relating to ethics, transparency and accountability covers the Company, its Group Companies and Subsidiaries.

   The Suppliers, Contractors, NGO's dealing with the Company are also encouraged to maintain ethical standards in all their practices. The Company believes in promoting growth without compromising on the ethical standards of the Company.

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

   The Company has in place a mechanism for dealing with the Stakeholders Complaints. During the year 180 Complaints/ Correspondence were received from Stakeholders and were duly resolved during the year.

   100% complaints/concerns were satisfactorily resolved.

Principle 2

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

   The Company is engaged in manufacturing of White Crystal Sugar including Sulphur-less Refined Sugar, Industrial Alcohol including Chemicals and Ethanol and Co-generation of power. The Company ensures and takes care of the all Social / Environmental Safe-guards. The Company has facility of Bagasse-based Co-generation of Power, which is a great alternative to fossil fuels and reduces greenhouse gas emission to safeguard the environment. The Power generation based on bagasse/ Biomass is a renewable source of Energy. The Company has also invested for optimization of power and steam consumption which enables the Company to save additional Bagasse for generating Steam and Power.

   The Company has also installed high pressure Boilers of 105 ATTA Pressure which further ensures less consumption of fuel. It may be stated that earlier the Sugar Mills were considered to be an environmental nuisance for the surrounding areas but with the installation of most efficient Effluent Treatment System resulting in utilisation of the treated water in Agriculture, as per prescribed norms, is a good source of irrigation for the local farmers. The Company is also following a principle of maximum Recycle and Reuse of the process water which has substantially reduced dependence on Groundwater. The conservation of Ground water ensures better water strata in the area.

   In case of distilleries, the Company has ensured Zero Liquid Discharge (ZLD) through the latest process of concentration of Spent Wash through Multi Effect Evaporators (MEE) and Incineration of concentrated Spent Wash through Slop Boilers. At the same time the Company is also able to generate additional power through these Slop Boilers which is again a renewable source of energy. The Company maintains the hygienic condition inside the plants and a dense green belt has also been developed to maintain quality of Ambient Air in its all Units.

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

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

      The Company continued its efforts to utilise available resources optimally. Sugar extraction from sugar cane, utilisation of by-products (Molasses, being used for manufacturing of ethanol, a green fuel and bagasse for generation of green power), specific energy (steam and power) consumption are continuously tracked to monitor convergence with Company's overall sustainabilityapproach. All plants of the Company are installed with latest Effluent Treatment Plants (ETP) to utilise and reuse water optimally.

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

The data regarding reduction during usage by consumers is not available with the Company.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company believes and acts on sustainable sourcing practices. Over the years, we have worked on building efficiency on our sourcing strategy by enabling farmers to directly deliver produce at our factories.

We have consistently ensured that 50% to 70% of sugarcane is directly delivered to sugar factories by the nearby farmers. The Company also arranges procurement of sugar cane from the distant farmers by way of aggregation of sugar cane collected at a common point called 'Centre' at its own cost.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company procures all of its raw materials i.e. sugar cane, from the farmers (including small and medium farmers) from the nearby area, allocated to the sugar plants.

The Company engages with the sugar cane farmers in a systematic way through cane development activities like imparting scientific knowledge on agricultural practices, soil testing, selection of right variety, quality on seed, treatment of various diseases. The continuous interactions with the farmers help them to improve their productivity and enhance their earning. By directly engaging with the farmers, middlemen are totally weeded out and all the benefits reach the farmers effectively.

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

The Company is committed towards Environment, Health & Safety Measures, achieving the greenest and safest operations across all the plants by optimising usage of natural resources. We continue to follow the 3-R (Reduce, Reuse and Recycle) principle at all of manufacturing plants.

The Company utilise by-products generated during the sugar manufacturing operations i.e. molasses is being utilised for manufacture of ethanol, a green fuel and bagasse is used as a bio fuel. Waste generated during distillery operations is also used as fuel and the Distilleries maintain Zero Liquid Discharge. Press mud, the residue/ Sugarcane Trash from operations is used as Bio Manure. Thus, the by-products and waste generated out of manufacturing processes are mostly recycled, resulting in minimum use of fossil fuel.

Principle 3 -

1. **Please indicate the Total number of employees. :**

   2806 (Including Seasonal and Temporary Employees).

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.** : 2050

3. **Please indicate the Number of permanent women employees.** : 38

4. **Please indicate the Number of permanent employees with disabilities.** : 2

5. **Do you have an employee association that is recognized by management.** : Yes

6. **What percentage of your permanent employees is members of this recognized employee association?:** 80%

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.** : Nil

8. **What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?**

   (a) Permanent Employees : 100%

   (b) Permanent Women Employees : 100%

   (c) Casual/Temporary/Contractual Employees : 100%

   (d) Employees with Disabilities: 100%

Principle 4

1. **Has the company mapped its internal and external stakeholders?** : Yes

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

   We continuously engage with our stakeholders (internal and external). This helps us in identifying their needs and priorities and allows us to serve these needs accordingly.

We are committed towards proactively engaging with our farmers particularly small farmers, our employees, communities, and take various initiatives, like carrying out CSR activities for them.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable.

   The Company engages by way of organising development and deployment programmes in the areas of health, education, women empowerment rural development and other development programmes in the areas of health, education, skill development, sanitation, livelihood etc as part of Corporate Social Responsibility (CSR) initiatives.

   This year the Company also engaged with NGO to give underprivileged women under the age of 15 exposure to further learning and development..

   During Covid period, the Company supported the nearby areas by sanitization drives, distribution of masks and hand sanitizers, medicines, oxygen cylinder, accessories for oxygen cylinders, masks, sanitizers, make shift temporary beds for patients. Lab Tests were also arranged.

   Company also distributed blankets during winters to underprivileged people near our plants. Women's camp was also organised along with local officials to build self help groups and build awareness around cane farming and growing techniques.

Principle 5

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

   Company's policy on respecting and promoting human Rights is applicable to all Directors and Employees of the Company and extend to Group Companies and subsidiaries as well.

   The Suppliers, Contractors, Customers and NGO's dealing with the Company are always encouraged to maintain ethical standards in all their practices.

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

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

Principle 6

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

   The Company's policies on Respecting, Promoting and Restoring the Environment and in relation to Environment, Health and Safety (EHS) are applicable to all Directors and Employees of the Company and extend to Group Companies and subsidiaries as well.

   The Company encourages vendors, suppliers, contractors, etc. associated with it to follow the principles envisaged in the Policy. The EHS Policy also covers the contractors engaged by the Company.

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

   Global environment issues such as climate change, global warming, Green House Gas emissions pose challenges to all. The Company is totally committed to reduce their impact.

   The Company has installed latest Effluent Treatment Plants to curb the pollution.

   The Company utilises Bagasse and Bio-Methanated Concentrated Spent Wash of Distilleries the by-products, for generation of green power at its Co-Gen power plants.

   The Company has installed latest equipment to control air and water pollution and maintain Zero Liquid Discharge from the Distilleries.

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

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? No

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

   Yes, the Company is continuously making efforts to enhance energy efficiencies across all plants.

The Company has taken following steps :

The Company utilises Baggase, a by-product, for generation of green power at its power plants.

Spentwash, an effluent generated in distillery operations is also used as fuel to generate clean energy. The Company has installed latest equipment to control air and water pollution.

The Company is conducting energy audit from time to time at various energy consumption points.The Company keeps on upgrading the Plant with more energy efficiency equipment.

The Company is generating energy captively by utilising by-product and waste generated during the process, thereby replacing fossil fuel based power with renewal energy.

All units are compliant of Zero Liquid Discharge system. We are expanding green cover through plantation drives on an on-going basis at and near our manufacturing locations.

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

   The emissions, waste and effluent generated are monitored on regular basis and are generally with in the permissible limits given by CPCB / SPCB.

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

   No show cause/ legal notices from CPCB/SPCB are pending as on 31st March, 2021.

Principle 7

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

   The Company is member of various trade, industry and chamber associations like Indian Sugar Mills Association, UP Sugar Mills Association, UP Sugar Mills Co-Gen Association, All India Distillers Association, UP Distillers Association (UPDA), and other trade Industry bodies etc .

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

   We actively participate in the above listed forums and policy matters that impact the interest of our stakeholders.

   We prefer to be part of the broader policy development process and do not practice lobbying on any specific issue.

Principle 8

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes, the Company supports the principle of inclusive growth and equitable development through not just its Corporate Social Responsibility initiatives but through its core business as well. We strive to enhance the lives of communities including farmers, that surrounds our operations.

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

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

   The programmes/projects pertaining to principle 8 are developed and executed by in- house team, own trust and society.

   The Company engages with external NGOs /government structure and other organizations.

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

   The assessment is done to understand the efficacy of our programmes in terms of delivery of desired benefits to the community.

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

   The Company has spent an amount of ₹3.42 Crore in various CSR activities during the year 2020-21. The details of the amount incurred and areas covered are given in Annexure 4 (Annual Report on Corporate Social Responsibility Activities) forming part of the Board's Report.

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

   Our community outreach initiatives have been developed keeping in mind the specific needs of the communities that we operate within.

   The initiatives are finalised after a thorough understanding of the requirements of each community through stakeholders dialogue and engagement. It ensures that initiatives are successfully adopted by the community.

The Company also procures confirmation of utilisation from the external agencies to which the Company has contributed under CSR activities.

Principle 9

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

   The Company has successfully resolved all the complaints received during the financial year ended March 31, 2021 and no complaint is pending as on March 31, 2021.

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

   Yes, the Company displays product information on the label for the benefit of the Consumer over and above what is mandated as per applicable laws.

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

   There is no case pending at the end of financial year 2020-21- under this principle.

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

   Yes, There are informal surveys carried out by the Company and it ensures satisfaction of the stakeholder (agents, wholesalers and retailers).

For and on behalf of the Board of Directors

Ashok Kumar Goel
Vice Chairman
(DIN: 00076553)

Place: New Delhi
Dated: April 24, 2021

REPORT ON CORPORATE GOVERNANCE

(For the Year ended March 31, 2021, in terms of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Company's Philosophy on Corporate Governance

Corporate Governance is the method of governing the corporate entity which includes set of systems, procedures and practices to ensure that the entity is managed in the best interest of all stakeholders. Fundamentals of Corporate Governance include transparency in policies and action, independence to develop and maintain a healthy work culture, accountability for performance, responsibility towards the society and for its core values, growth for stakeholders, etc. The Company makes an honest endeavour to uphold these fundamentals in all its operational aspects and its structure, dealings, administration and disclosure practices are in line with achieving good Corporate Governance.

The Company is in compliance with the requirements stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Board of Directors

The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

As on March 31, 2021, the Company's Board comprises of 11 Directors, besides Chairman, Vice Chairman, two Managing Directors who are Executive Promoter Directors, the Board has one Whole Time Director, Six Non- Executive Independent Directors including one Woman Director. The Composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations (as amended) from time to time.

Core Skills/Expertise/Competencies of the Board of Directors

In terms of Listing Regulations, the Board of Directors has identified the following skills/expertise /competencies as given below:

Name of Director	For the year ended March 31, 2021
Shri Vijay Kumar Goel	Industrial Expertise, Leadership, and Information Technology.
Shri Ashok Kumar Goel	Experience, Industrial Expertise and Leadership.
Shri Gaurav Goel	International Exposure, Financial, Leadership, Strategy, Administration, Formulating Policies, Processes and Planning.
Shri Gautam Goel	International Exposure, Engineering, Research and Development, Strategy, Formulating Policies, Processes and Planning.
Shri Sandeep Kumar Sharma	Industry Expertise, Engineering and Technology, Human Resource Management, Administration and Compliance Management.
Shri Mahesh Prasad Mehrotra	Finance, Taxation and Audit, Legal and Risk Management.
Shri Ashwani Kumar Gupta	Finance, Taxation and Audit, Banking, Foreign Exchange Market, Legal and Risk Management.
Shri Priya Brat	Banking, Corporate Governance and Compliance.
Shri Yashwardhan Poddar	Industrialist, Business Strategy , Leadership , Formulation and Implementation of Policies and Planning.
Shri Satpal Kumar Arora	Corporate Banking and Project Financing, Legal Compliance alongwith Corporate Governance.
Smt. Nandita Chaturvedi	Agriculture Expertise.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills experience, expertise, diversity and Independence. The Board provides leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary duties, thereby ensuring that the management adheres to the high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.

Composition of the Board of Directors as on March 31, 2021, number of other Directorships and Committees of which a director is the Member/Chairperson and attendance of each Director at Board Meetings, and the last Annual General Meeting of the Company are given below:

S. no	Name of Director(s)	Category of Directorship	No. of Board meeting attended	Last AGM attended	No. of Directorships and Committee Memberships/Chairmanships			List of Directorship held in Other Listed Companies and Category of Directorship
					Directorship	Committee Memberships	Committee Chairmanships	
1	Shri Vijay Kumar Goel	P, C & ED	6	No	2	0	0	Delton Cables Limited, Non-Executive Independent Director
2	Shri Ashok Kumar Goel	P, VC & ED	6	No	1	0	0	-
3	Shri Gaurav Goel	P & MD	6	Yes	2	3	0	Mangalam Cement Limited- Non-Executive Independent Director
4	Shri Gautam Goel	P & MD	6	No	1	1	0	-
5	Shri Sandeep Kumar Sharma	WTD	6	Yes	1	1	0	-
6	Shri Ashwani Kumar Gupta	ID & NED	6	Yes	2	3	2	PNB Housing Finance Limited-Non-Executive Independent Director
7	Shri Priya Brat	ID & NED	6	Yes	3	4	2	Dhanuka Agritech Limited- Non-Executive Independent Director, South Asian Enterprises Limited-Non-Executive Independent Director
8	Shri Mahesh Prasad Mehrotra	ID & NED	6	Yes	4	4	3	VLS Finance Limited- Vice-Chairman / Promoter Director, Delton Cables Limited- Non-Executive Independent Director, South Asian Enterprises Limited-Promoter Director
9	Shri Yashwardhan Poddar	ID & NED	4	No	1	2	0	-
10	Shri Satpal Kumar Arora	ID & NED	5	No	3	0	0	Som Distilleries and Breweries Limited, Non-Executive Independent Director and Shree Pushkar Chemicals & Fertilisers Limited, Non-Executive Independent Director
11	Smt. Nandita Chaturvedi	ID & NED	6	No	1	0	0	-

P - Promoter, C- Chairman, ED - Executive Director, MD - Managing Director, ID - Independent Director, NED - Non-Executive Independent Director & WTD - Whole Time Director.

Notes:

I. Directorship includes the one in Listed Entity including the Company. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies including Dhampur Sugar Mills Limited.

II. As mandated by Regulation 17A and 26 (1) (b) of the Listing Regulations, None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an Independent Director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021, have been made by the Directors.

III. The Non- Executive Directors fulfil the conditions of Independence specified in Section 149 (6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations.

IV. Shri Vijay Kumar Goel, Shri Ashok Kumar Goel, Shri Gaurav Goel and Shri Gautam Goel are related to each other. Brief profile of each of the above Directors is available on the Company's website i.e., www. dhampur.com

V. None of the Non-Executive Directors hold Equity Shares and convertible Instruments in the Company.

VI. Proposed commission to be paid to Non-Executive Independent Directors will be approved by the shareholders at the Annual General Meeting scheduled to be held on August 30, 2021.

VII.The Company has obtained Certificate from Shri Saket Sharma, Practicing Company Secretary confirming that Directors have not been debarred or not been disqualified from being appointed or continuing as Directors by SEBI/ MCA or any other authority and is annexed herewith as a part of this report.

VIII. The Independent Directors have given declaration under Rule 6(1) and (2) of the Companies (Appointment and Qualification of Director) Rules, 2014, that their names are registered in the databank as maintained by the Indian Institute of Corporate Affairs (IICA). In terms of Section 150 of the Act, read with Rule 6(4) of the Companies (Appointment and Qualification of Director) Rules 2014, the Independent Directors, if applicable, are required to undertake online proficiency self-assessment test conducted by the IICA within a period of two (2) year from the date of inclusion of their names in the data bank or such time as amended by the Central Government.

Board Meetings

During the period from April 01, 2020, to March 31, 2021, six Board meetings were held and time gap between two consecutive board meetings did not exceed 120 days during the year 2020-21. The details are as under:

Sl. no.	Date of Meetings	No. of Directors Present
1	June 2, 2020	11
2	July 30, 2020	13
3	November 6, 2020	11
4	December 23, 2020	11
5	February 2, 2021	11
6	March 27, 2021	10

Information placed before the Board

The Company provides information to the Board and Board Committees as set out in Regulation 17 read with Part A of Schedule II of SEBI Listing Regulations, 2015 and as amended to the extent applicable and relevant. Such information is submitted either as part of the agenda papers of the respective meeting or by way of presentations and discussions during the meeting. Inputs and feedback of Board Members are taken and considered while preparation of agenda and documents for the Board Meeting.

Documents containing Unpublished Price Sensitive Information are submitted to the Board and Committee Members, at a shorter notice, as per the general consent taken from the Board, from time to time.

Post Meeting Mechanism

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/ divisions, for follow up/ compliances.

Roles, Responsibilities and Duties of the Board

The duties of the Board of Directors have been enumerated in Listing Regulations, Section 166, and Schedule IV of the Companies Act, 2013. (Schedule IV is specifically for Independent Directors). There is clear demarcation of responsibility and authority amongst the Board of Directors.

Board Support

The Company Secretary attends the Board and Committee meetings and advises the Board on compliances with applicable laws and governance.

Independent Directors Meeting

During the year under review, the Independent Directors met on February 2, 2021, inter alia, to:

1. Review the performance of Non-Independent Directors and the Board as a whole;

2. Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

3. Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Familiarization Programme for Directors

The Company has put in place a system to familiarise the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

During the year 2020-21, Shri Yashwardhan Poddar and Shri Satpal Kumar Arora were appointed as Independent Directors as on July 30, 2020.They were informed about their role and responsibilities and were given an overview of business, operations and business model of the Company including other Directors.

The Directors have been explained the compliance required from them under the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Details of Familiarisation programme for Directors are available on the Company's website i.e., www.dhampur.com.

Code of Conduct for Prevention of Insider Trading Practices

The Company has adopted "Code of Conduct for Regulation, Monitoring and Reporting of Insider Trading " (the Code) in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the PIT Regulations) and the Code has been revised during the year under review in line with the amendments to the PIT Regulations as amended from time to time.

The Code is applicable to Promoters and Promoters Group, all Directors and Designated Persons and Connected Persons who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said regulations. This Code of Conduct for Regulation, Monitoring and Reporting of Insider Trading is displayed on the Company's website i.e. www.dhampur.com.

The Company has also formulated "The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)" in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended). This code is displayed on the Company's website i.e. www.dhampur.com.

Audit Committee

The powers, role and terms of reference of the Audit Committee cover the areas as contemplated under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 (as amended) and Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated by the Board from time to time. The powers include investigating any activity within its terms of reference; seeking information from any employee; obtaining outside legal or other professional advice; and securing attendance of outsiders with relevant expertise, if considered necessary. The role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible; recommending the appointment, re-appointment, if required, replacement or removal of statutory auditors, fixation of audit fees and approval of payment for any other services, as permitted; reviewing the adequacy of internal audit function; discussing with internal auditors any significant findings and follow-up thereon; reviewing with the management annual and quarterly financial statements before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the Auditors independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of internal financial controls and risk management system; and reviewing the functioning of the whistle blower mechanism. It also reviews the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, atleast once in a Financial Year and verifies the system for Internal Control are adequate and are operating effectively.

The constitution of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013. The members of the Audit Committee comprise Managing Director and three Independent Non-Executive Directors.

During the period from April 01, 2020, to March 31, 2021, four committee meetings were held on June 2, 2020, July 30, 2020, November 6, 2020, and February 2, 2021.

During the year, the committee was reconstituted and the details of the composition of the Audit Committee and the attendance at the meetings held are as follows:

Sl. No.	Name of Directors	Position	Category	Meetings attended
1	Shri Mahesh Prasad Mehrotra	Chairman	Independent Director	4
2	Shri Gaurav Goel	Member	Managing Director	4
3	Shri Gautam Goel*	Member	Managing Director	0
4	Shri Ashwani Kumar Gupta	Member	Independent Director	4
5	Shri Priya Brat	Member	Independent Director	4
6	Shri Yashwardhan Poddar *	Member	Independent Director	0

*Appointed as a member of the Committee w.e.f. February 2, 2021.

The Company Secretary acts as the Secretary to the Committee.

The Meetings were attended by the Statutory Auditors and Chief Financial Officer of the Company as invitees.

The Committee, inter-alia, reviewed the Financial Statements including Auditors' Report for the year ended March 31, 2021, and recommended its adoption, records of related party transactions, reports related to compliance of laws and risk management.

Nomination and Remuneration Committee

The powers, role and terms of reference of the Nomination and Remuneration Committee cover the areas as contemplated under Regulation 19 of the Securities and Exchange Board of India (Listing obligation and Disclosure Requirements) Regulation 2015 (as amended) and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommending to the Board a policy, relating to the remuneration of Directors and Key Managerial Personnel; formulation of criteria for evaluation of all Directors including Independent Directors, Chairman of the Board and the Board itself and its committees; devising a policy on Board diversity; and identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board their appointment and removal.

Remuneration Policy

The objective and broad framework of the Remuneration Policy is to consider and determine the remuneration, based on the fundamental principles of performance, potential and growth. The Remuneration Policy reflects on certain guiding principles of the Company such as aligning remuneration with the longer-term interests of the Company and its shareholders, promoting a culture of meritocracy and creating a linkage to corporate and individual performance, and emphasising on line expertise and market competitiveness so as to attract the best talent. It also ensures the effective recognition of performance and achievement of superior operational results.

The Nomination and Remuneration Committee recommends the remuneration of Directors which is approved by the Board of Directors, subject to approval of shareholders, where necessary. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate the Directors and Key Managerial Personnel and to ensure high standard of quality and efficiency required to run the Company successfully. The relationship of remuneration to performance is clearly framed in order to meet appropriate performance benchmarks. The remuneration to Directors, Key Managerial Personnel and senior management personnel is also intended to ensure a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.

During the period from April 01, 2020, to March 31, 2021, three Committee Meetings were held on July 30, 2020, December 23, 2020 and February 2, 2021.

Details of the composition of Nomination and Remuneration Committee and the attendance at the meetings held is as follows:

Sl. No.	Name of Directors	Position	Category	Meetings attended
1	Shri Mahesh Prasad Mehrotra	Chairman	Independent Director	3
2	Shri Ashwani Kumar Gupta	Member	Independent Director	3
3	Shri Priya Brat	Member	Independent Director	3
4	Shri Satpal Kumar Arora**	Member	Independent Director	2
5	Shri Harish Saluja*	Member	Independent Director	1

*Retired w.e.f. September 2, 2020.

** Appointed as a member of the committee w.e.f. November 6, 2020.

The Company Secretary acts as the Secretary to the Committee.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and applicable provisions of the Listing Regulations, the Board has carried out the evaluation of its own performance and that of the Board Committees, viz. Audit Committee, Nomination and Remuneration Committee, CSR Committee and Stakeholders' Relationship Committee as well as evaluation of the performance of Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, corporate governance practices and stakeholders' interests, etc. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, meeting risk management and competition challenges, compliance and due diligence, financial control, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of all the Directors including Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and Non-Independent Directors and also of the Board was carried out by the Independent Directors. The Nomination and Remuneration Committee also carried out evaluation of every Director's performance after laying down criteria for evaluation by way of the aforesaid structured questionnaire. The Directors expressed satisfaction with the evaluation process and results thereof.

Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees for each Meeting of the Board or Committee of Directors Meeting attended by them and Commission to Non-Executive Independent Directors, subject to approval by the shareholders. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company.

Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman, Vice Chairman, Managing Director and Whole-time Director are governed by the recommendation of the Nomination & Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration package including increments of Chairman and Managing Director and Whole-time Director comprises salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Presently, the Company does not have any Stock Options Scheme for its Directors or Employees.

Details of remuneration to the Directors for the year ended March 31, 2021:

Name of Directors	Salary (₹)	Benefits (₹)	Bonus (₹)	Commission (₹)	Sitting Fees (₹)	Service Contract/Notice Period/ Severance Fees
Shri Vijay Kumar Goel	1,50,00,000	32,22,494	-	3,00,00,000	-	Term valid till March 31, 2023. No Notice period and no severance fees.
Shri Ashok Kumar Goel	1,50,00,000	19,85,084	-	3,00,00,000	-	Term valid till March 31, 2023. No Notice period and no severance fees.
Shri Gaurav Goel	1,50,00,000	19,84,172	-	3,00,00,000	-	Term valid till March 31, 2023. No Notice period and no severance fees.
Shri Gautam Goel	1,50,00,000	30049	-	3,00,00,000	-	Term valid till March 31, 2023. No Notice period and no severance fees.
Shri Sandeep Kumar Sharma	82,14,204	12,86,360	-	-	-	Term valid till March 31, 2023. No Notice period and no severance fees.
Shri Ashwani Kumar Gupta	-	-	-	5,00,000	2,50,000	Term valid till September 01, 2024. No Notice period and no severance fees.
Shri Mahesh Prasad Mehrotra	-	-	-	5,00,000	2,41,000	Term valid till September 01, 2024. No Notice period and no severance fees.
Shri Harish Saluja	-	-	-	5,00,000	50,000	Retired w.e.f. September 02, 2020.
Shri Rahul Bedi	-	-	-	5,00,000	40,000	Retired w.e.f. September 02, 2020.
Shri Priya Brat	-	-	-	5,00,000	2,51,000	Term valid till September 01, 2021. No Notice period and no severance fees.
Smt. Nandita Chaturvedi	-	-	-	5,00,000	1,30,000	Term valid till September 9, 2025. No Notice period and no severance fees.
Shri Yashwardhan Poddar	-	-	-	-	1,00,000	Term valid till July 29, 2025. No Notice period and no severance fees.
Shri Satpal Kumar Arora	-	-	-	-	1,30,000	Term valid till July 29, 2025. No Notice period and no severance fees.
Shri Mahendar	-	-	-	-	-	Ceased to be a nominee director of the Company w.e.f June 17, 2020 as his name was withdrawn by Punjab National Bank.

Stakeholder's Relationship Committee

The Committee looks into redressal of Shareholder's/Investors' complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, among others. It also reviews issue of duplicate share certificates and oversees and reviews all matters connected with the Company's transfers of securities. It oversees the performance of the Company's Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services. Besides, it monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended). The Board has delegated the power of approving transfer of securities to Shri Gaurav Goel, the Company's Managing Director.

Besides, the Committee has such term of reference, role, responsibility and powers as specified in Section 178 of the Companies Act, 2013 and in the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended from time to time.

During the period from April 01, 2020, to March 31, 2021, one committee meeting weas held on February 2, 2021.

The details of the composition of the Stakeholder's Relationship Committee and the attendance at the meetings held is as follows:

Sl. No.	Name of Directors	Position	Category	Meetings attended
1	Shri Ashwani Kumar Gupta	Chairman	Independent Director	1
2	Shri Priya Brat	Member	Independent Director	1
3	Shri Yashwardhan Poddar**	Member	Independent Director	1
4	Shri Sandeep Kumar Sharma	Member	Whole Time Director	1
5	Shri Harish Saluja*	Member	Independent Director	0

*Retired w.e.f. September 2, 2020

** Appointed as a member of the committee w.e.f. November 6, 2020

The Company Secretary also acts as the Secretary to the Committee.

Status of Investors' Grievances

The total number of correspondence /complaints received during the year were 170 and all of them have been dealt with to the satisfaction of shareholders during the period ended March 31, 2021. No demat request/transfer was pending as on that date. No investor grievance was pending as on March 31, 2021.

Compliance Officer

Ms. Aparna Goel, Company Secretary, is the Compliance Officer of the Company.

The Company has made a separate e-mail id i.e. investordesk@dhampur.com for the benefit of investors, which is also displayed at the website of the Company.

Finance Sub Committee

The Company has formed a Non-Mandatory Committee named Finance- Sub Committee of Directors comprising Shri Vijay Kumar Goel, Chairman, Shri Gaurav Goel, Managing Director, Shri Gautam Goel, Managing Director and Shri Mahesh Prasad Mehrotra, Independent Director.

Terms of Reference of the Committee includes the following:

- To borrow money/monies, from time to time, for the requirements of the Company from Banks / Financial Institutions.
- To enter into any agreements for subscription of Shares, Debentures/ Preference Shares by way of Private Placement,
- To authorize any person(s) on behalf of the Company to appear before any statutory authority/authorities and to take necessary action in that matter.
- To open and close bank account(s) of the Company and pass necessary resolutions with respect to their operations, modifications and operating authority and closure of the account(s),
- To authorize any person(s) on behalf of the Company to take all the necessary actions for execution of any transaction required in the routine affair of the Company.
- To make allotment, listing of securities, dematerialization, etc.
- To perform such other function in order to facilitate business affairs of the Company.

During the period from April 01, 2020, to March 31, 2021, 9 (Nine) Committee meetings were held on May 29, 2020, July 2, 2020, July 13, 2020, August 31, 2020, October 19, 2020, November 24, 2020, December 9, 2020, February 22, 2021 and March 31, 2021.

Corporate Social Responsibility Committee

As per the requirement of the Companies Act, 2013, the Committee named as Corporate Social Responsibility Committee (CSR Committee) comprising three Directors Shri Vijay Kumar Goel, Chairman, Shri Gaurav Goel, Managing Director and Shri Mahesh Prasad Mehrotra, Independent Director.

The Committee's responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of Corporate Social Responsibility policy as specified in Schedule VII of the Companies Act, 2013.

The Company formulated CSR policy, which is uploaded on the website of the Company (web link www.dhampur.com).

The CSR committee met thrice during the year on November 10, 2020, February 5, 2021 and March 27, 2021.

Disclosures and Affirmation

a. **Compliance with Mandatory Requirements:**

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

b. **Related Party Transactions:**

All transactions entered into with related parties during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant related party transactions during the year.

Related Party transactions have been disclosed in the notes to accounts forming part of financial statements. A statement detailing transactions with related parties in the ordinary course of business and on arm's length basis is placed before the Audit Committee periodically for its review.

Pursuant to the requirement of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Related Party Transactions Policy as approved by the Board is uploaded on the Company's website i.e., www.dhampur.com.

None of the transactions of the Company with related parties was in conflict with the interest of the Company.

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

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

d. Whistle Blower Policy/ Vigil Mechanism:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters are to be disclosed to the Whistle Blower Committee formed for the purpose. Employees can also report such matter to the Chairman of the Audit Committee. During the year under review, no such report was received by the Whistle Blower Committee neither was any employee denied access to the Audit Committee.

e. Disclosure of Accounting Treatment:

The Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013 and other applicable laws and regulations for the preparation of Financial Statements. The significant accounting policies applied have been set out in the notes to the financial statements.

f. Risk Management:

The Company has laid down procedures for Risk Assessment and Minimization, and the same are periodically reviewed by the Board. The Company has adequate internal control systems to identify risk and ensuring their effective mitigation.

g. Commodity price risk or foreign exchange and hedging activities:

Sugar being a commodity, Sugar price risk is one of the important risks for the Company. The Company's profitability gets affected during downturn due to higher production than demand in the Country. The commodity risk of the Company in sugar is mitigated by diversification into Cogeneration and Distillery/Chemical segments.

The Company's operations are mainly in India and foreign exchange exposure is not substantial. The Company hedges its foreign exchange exposure, protecting its financials from foreign exchange fluctuations.

h. A certificate from Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority:

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

i. Compliance with Secretarial Standards:

The Company complies with all the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

j. Code of Conduct:

Pursuant to Regulation 17(5) of Listing Regulations. The Company has adopted a Code of Conduct and Business Ethics for its Board of Directors and Senior Management Personnel and the same has been posted on the Company's website i.e., www.dhampur.com.

All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2020-21. A declaration to this effect is annexed to this report.

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

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

l. Credit Rating:

CARE Ratings, a Credit Rating Agency has assigned the credit rating of "CARE A; Stable (Single A; Outlook: Stable") for long term and short term Credit Facilities from Banks and Fixed Deposits of the Company respectively.

India Ratings and Research (Ind-Ra) has assigned Dhampur Sugar Mills Limited (DSML) a Long-Term Issuer Rating of 'IND A+'. The Outlook is Stable.

m. **Fees payable to Statutory Auditors and Other Auditors:**

Total fees paid to the Statutory Auditors and entities in their network firm for all services received by the Company during the financial year 2020-21 and fees paid to the other Auditors is detailed hereunder:

Sl. No.	Particulars	Amount (in ₹)
1	Payment to Statutory Auditors	31,00,000
2	Payment to Secretarial Auditors	7,50,000
3	Payment to Cost Auditors	2,00,000
4	Payment to Internal Auditors	16,75,000

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

o. **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed during the year 2020-21.

No. of complaints filed during theFinancial Year	Nil
No. of complaints received	Nil
No. of complaints disposed	Nil

p. **Non- Mandatory Discretionary Requirements:**

Adoption of non- mandatory Discretionary requirements of the Listing Regulations is being reviewed by the Board from time to time. Status is as under:

i. **The Board:** The Company does not bear any expenses of Non-Executive Chairman's Office. Since the Company has an Executive Chairman.

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

iii. **Audit Qualifications:** The Company strives towards ensuring unqualified financial statements. There are no qualifications to the Auditor's Report for the year under review.

iv. **Separate posts of Chairman and Managing Director / CEO:** The Company has different persons for the post of Chairman and Managing Director.

v. **Reporting of Internal Auditors:** The Internal Auditors of the Company report directly to the Audit Committee.

Subsidiary:

The Company does not have any material subsidiary as defined under Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, Policy for Determining Material subsidiaries has been formulated and uploaded on the website of the Company i.e.www.dhampur.com.

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

Shareholder's Information

General Meetings:

Details of last three Annual General Meetings are as follows:

AGM	Financial Year	Location	Date and Time	Details of Special Resolution Passed
85th	2019-20	Through Video Conference	September 29, 2020, 2.00 p.m.	Invitation and Acceptance of Fixed Deposits from the Members and Public.
				Payment of Commission to Non- Executive Independent Director of Company.
				Re-appointment of Smt. Nandita Chaturvedi, Non- Executive Independent Director of the Company.
				Appointment of Shri Yashwardhan Poddar, Non- Executive Independent Director of the Company.
				Appointment of Shri Satpal Kumar Arora Non-Executive Independent Director of the Company.

AGM	Financial Year	Location	Date and Time	Details of Special Resolution Passed
84th	2018-19	Registered Office of the Company at Dhampur, Distt. Bijnor, U.P.	September 02, 2019, 2.00 p.m.	Payment of Commission to Non-Executive Independent Directors of the Company.
				Invitation and Acceptance of Fixed Deposits from the Members and Public.
				Re-appointment of Shri. Mahesh Prasad Mehrotra, Non-Executive Independent Director of the Company.
				Re-appointment of Shri. Ashwani Kumar Gupta, Non-Executive Independent Director of the Company.
				Re-appointment of Shri Priya Brat, Non-Executive Independent Director of the Company.
				Re-appointment of Shri Rahul Bedi, Non-Executive Independent Director of the Company.
				Re-appointment of Shri Harish Saluja, Non-Executive Independent Director of the Company.
				Re-Appointment of Shri Vijay Kumar Goel as Chairman and Executive Director and to fix his remuneration.
				Re-Appointment of Shri Ashok Kumar Goel as Vice-Chairman and Executive Director and to fix his remuneration.
				Re-Appointment of Shri Gaurav Goel as Managing Director and to fix his remuneration.
				Re-Appointment of Shri Gautam Goel as Managing Director and to fix his remuneration.
				Re-Appointment of Shri Sandeep Kumar Sharma as Whole Time Director and to fix his remuneration.
83rd	2017-18	Registered Office of the Company at Dhampur, Distt. Bijnor, U.P.	August 30, 2018, 2.00 p.m.	Continuation of the term of Shri Priya Brat, Non-Executive Independent Director of the Company.
				Continuation of the term of Shri Mahesh Prasad Mehrotra, Non-Executive Independent Director of the Company.
				Continuation of the term of Shri Harish Saluja, Non-Executive Independent Director of the Company.

Whether any Special Resolution was passed last year through Postal Ballot: - No.

Whether any Special Resolution is proposed through Postal Ballot: - No.

Annual General Meeting for the Financial Year 2020-21

Day and Date of 86th AGM	August 30, 2021
Time	2.00 P.M.
Mode	Through Video Conferencing / other Audio-Visual Means
Financial Year	April 1, 2020, to March 31, 2021.
Book Closure	August 24, 2021, to August 30, 2021 (both days inclusive)

Tentative financial calendar for the financial year ending March 31, 2022:

The tentative dates for Board meetings for consideration of quarterly financial results are as follows:

Sl.No.	Particulars of quarters	Tentative Dates
1	June 30, 2021	In or after last week of July, 2021
2	September 30, 2021	In or after last week of October, 2021
3	December 31, 2021	In or after last week of January, 2022
4	March 31, 2022	In or before last week of May, 2022

Dividend

During the period under review, the Company had declared and paid Interim Dividend @60% i.e. ₹6.00 Per Equity Share of `10 each. The Interim Dividend declared by the Board of Directors is proposed to be confirmed as Final by Shareholders in the ensuing Annual General Meeting.

Dividend History for the previous Financial Years

The Table below highlights the history of Dividend declared by the Company in previous financial years:

S.No	Financial Year Ended	Date of Declaration	Rate of Dividend (Amount in ₹)
1	31.03.2011	01.08.2011	1.00
2	31.03.2012	15.09.2012	1.25
3	31.03.2013	20.09.2013	1.25
4	31.03.2017	10.02.2017 (Interim)	2.50
5	31.03.2017	28.08.2017	3.50
6	31.03.2018	31.01.2018 (Interim)	3.00
7	31.03.2019	30.01.2019 (Interim)	3.50
8	31.03.2019	02.09.2019	3.00
9	31.03.2020	03.02.2020 (Interim)	6.00
10	31.03.2021	02.02.2021 (Interim)	6.00

Unclaimed Dividend/ Shares

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven consecutive years from the date of such transfer then the said unclaimed or unpaid dividend amount shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of Section 125 of the Act. Before transferring the unclaimed dividends to IEPF, individual letters are sent to those Members whose unclaimed dividends are due for transfer to enable them to claim the dividends before the due date for such transfer. The details of unclaimed/unpaid dividend are available on the website of the Company i.e., www.dhampur.com

Share Transfer to Investor Education and Protection Fund Account (IEPF) where the dividend is unpaid or unclaimed for seven or more consecutive years

In terms of Section 124(6) of the Companies Act, 2013, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Investor Education and Protection Fund (IEPF) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, dividend etc.), if any, accruing on such shares shall also be credited to such IEPF and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to IEPF can be claimed back by the shareholders from Investors Education and Protection Fund Authority (IEPFA) by following the procedure prescribed under the aforesaid rules.

The Company had sent letters to all the concerned Members and also published notice in newspaper three months before the due date asking them to claim their dividend amount to avoid transfer of the said unclaimed dividend and respective shares to IEPF.

Details of Unclaimed Dividend as on March 31, 2021, and due dates for transfer to IEPF are as follows

Financial Year Ended	Date of declaration of Dividend	Unclaimed Amount (in ₹)	Due date for transfer to IEPF
31.03.2017	10.02.2017 (Interim)	1354898.75	06.03.2024
31.03.2017	28.08.2017	2318974.00	03.10.2024
31.03.2018	31.01.2018 (Interim)	1156327.50	06.03.2025
31.03.2019	30.01.2019 (Interim)	1096964.75	06.03.2026
31.03.2019	02.09.2019	898992.00	08.10.2026
31.03.2020	03.02.2020 (Interim)	2063928.00	09.03.2027
31.03.2021	02.02.2021 (Interim)	3011081.00	08.03.2028

During the year under review, the Company has transferred Unclaimed Dividend amount of ₹9,62,894/- declared for Financial Year 2012-13 and amount of ₹52,142/- pertaining to unclaimed sale proceeds of Fractional Shares arising due to merger of JK Sugar Limited with the Company in Financial Year 2012-13 to Investor Education and Protection Fund.

During the year under review, 30929 Equity Shares have been transferred to IEPF during the year for which dividend is unpaid/ unclaimed for a period of 7 consecutive years.

Distribution of Shareholding as on March 31, 2021

Shareholding Range (No. of Shares)	No. of Holders	% of total Holders	No. of Shares held	% of total Shares
1 to 100	28574	66.90	1119857	1.69
101 to 500	9945	23.28	2505816	3.77
501 to 1000	1913	4.48	1545141	2.33
1001 to 5000	1734	4.06	4003319	6.03
5001 to 10000	262	0.61	1933491	2.91
10001 to 20000	128	0.30	1805395	2.72
20001 to 30000	38	0.09	923467	1.39
30001 to 40000	12	0.03	416359	0.63
40001 to 50000	21	0.05	944657	1.42
50001 to 100000	39	0.09	2733942	4.12
100001 to 500000	35	0.08	7841298	11.81
500001 to Above	11	0.03	40614848	61.18
Total	**42712**	**100**	**66387590**	**100**

Shareholding Pattern as on March 31, 2021

S.No	Category	Holding	%
1	Promoter (including individuals, HUF, corporate bodies)	32585637	49.08
2	Mutual Funds	465	0.00
3	Banks/FI/AIF	65395	0.10
4	Central Government	6	0.00
5	Foreign Portfolio Investors	1890102	2.85
6	Corporate Bodies/Clearing Member	2179194	3.28
7	Resident Indian Public/Resident HUF	28649537	43.15
8	NRI/OCB/Foreign Nationals	279027	0.42
9	Non-Resident - Non-Repatriates	133908	0.20
10	Trust	12	0.00
11	IEPF	215786	0.33
12	Insurance Company	388521	0.59
	Grand Total	**66387590**	**100**

Dematerialisation of Shares and Liquidity

Over 99.66 per cent of the outstanding shares have been dematerialized up to March 31, 2021. Trading in equity shares of the Company is permitted only in dematerialised form w.e.f October/November 2000 as per notification issued by the Securities and Exchange Board of India (SEBI).

The Equity Shares having ISIN No. INE041A01016 are available for dematerialisation with either of the depositories i.e., NSDL and CDSL.

The Company has no Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on Equity Listing:

The Company's shares are listed on the following Stock Exchanges and the Listing fees have been paid to the Exchanges:

Stock Exchange	Stock Code
BSE Limited, P.J. Towers, Dalal Street, Mumbai- 400001	500119
National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051	DHAMPURSUG

Stock market data from April 1, 2020 to March 31, 2021

Months	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
March, 2021	208.00	173.00	208.00	171.05
February, 2021	182.05	155.95	182.00	156.20
January, 2021	177.00	157.65	176.40	157.75
December, 2020	186.00	152.25	185.95	138.00
November, 2020	165.70	135.35	165.50	136.60
October, 2020	151.70	137.25	151.50	137.15
September, 2020	153.90	127.70	153.35	128.05
August, 2020	161.25	126.30	161.50	125.00
July, 2020	143.30	122.45	143.30	122.60
June, 2020	138.00	100.25	138.95	100.45
May, 2020	104.00	86.55	106.80	87.30
April, 2020	110.25	86.45	110.70	86.55

Share price performance in comparison to broad based indices-BSE Sensex and NSE NIFTY as on April 01, 2020, and March 31, 2021.

FY 2020-21	BSE		NSE	
	DSML	Sensex	DSML	Nifty
April 01, 2020	86.85	28265.31	86.45	8253.80
March 31, 2021	183.00	49509.15	182.70	14690.70

Means of Communication

I. The Company's Quarterly Financial results in the proforma prescribed by the Stock Exchanges pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are approved and taken on record by the Board of Directors and submitted to the Stock Exchanges.

II. The results are normally published in Business Standard/ Financial Express/Economic Times (in English) and Business Standard/Jansatta/ Amar Ujala/Veer Arjun (in Hindi).

III. The Company's financial results and official press releases are displayed on Company's website (www.dhampur.com) within the time prescribed in this regard.

IV. The Company's website also displays presentations, if any made to the media, analysts, institutional investors, Fund Managers, etc. from time to time.

V. The quarterly results, shareholding patterns, periodical compliances and all other corporate communications to the Stock Exchanges viz. National Stock Exchange of India Limited and BSE Limited are filed electronically to them through NEAPS portal on NSE and BSE listing Centre with BSE.

Share Transfer System

SEBI has mandated that, effective April 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. The Company had sent communication to the shareholders, encouraging them to dematerialise their holding in the Company. The communication, interalia contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

The Company obtains a half-yearly certificate from practicing Company Secretary as per the requirement of Regulation 40 (9) of the Listing Regulations and the same is filed with the Stock Exchanges.

Address for Investors Correspondence

Correspondence with Company

Ms Aparna Goel
Company Secretary
Dhampur Sugar Mills Limited,
241 Okhla Industrial Estate, Phase – III, New Delhi 110 020
Ph.: 011-30659400, Fax: 011-26935697
E-mail: investordesk@dhampur.com

Correspondence with Registrar and Share Transfer Agents

M/s Alankit Assignments Limited, Alankit House,
4E/2 Jhandewalan Extension, New Delhi 110 055
Ph.: 011 – 42541234, 23541234, Fax: 011- 42541201
E- mail: rta@alankit.com

Plant Locations:

Unit	Location	Division
1	Dhampur, Dist. Bijnor (U.P.)	Sugar, Co-generation and Distillery
2	Asmoli, Dist. Sambhal (U.P.)	Sugar, Co-generation and Distillery
3	Mansurpur, Dist. Muzaffarnagar (U.P.)	Sugar and Co-generation
4	Rajpura, Dist. Sambhal (U.P.)	Sugar and Co-generation
5	Meerganj, Dist. Bareilly (U.P)	Sugar and Co-generation

Declaration regarding Compliance with Code of Conduct

As provided under Regulation 26 (3) of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015, all the Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct and Ethics of the Company for the year ended March 31, 2021.

For Dhampur Sugar Mills Limited

Place: New Delhi
Date: April 24, 2021

Gaurav Goel
Managing Director

Certification by Managing Director and Chief Financial Officer

We undersigned, in our respective capacities as Managing Director and Chief Financial officer of Dhampur Sugar Mills Limited, to the best of our knowledge and belief, certify that;

a. We have reviewed the Balance Sheet, Profit and Loss Account, Cash Flow Statement and the Board's Report for the period from April 01, 2020 to March 31, 2021 and based upon our knowledge and information certify that:-

   i. These statements do not contain any materially untrue statement or omit any material fact or contain the statement 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 and other applicable laws and regulations.

b. There are, to best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We accept the responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. 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 to take to rectify these deficiencies.

d. We have indicated to Auditors and the Audit Committee of the Board that there have been:

   i. no significant changes in internal control over the financial reporting during the period,

   ii. no significant changes in accounting policies during the year and same have been disclosed in the notes to the Financial Statements.

   iii. no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For Dhampur Sugar Mills Limited

Gaurav Goel
Managing Director

Place: New Delhi
Date: April 24, 2021

For Dhampur Sugar Mills Limited

Susheel Kumar Mehrotra
Chief Financial Officer

Certificate on Corporate Governance

To
The Members
Dhampur Sugar Mills Limited
District Bijnor, Dhampur,
Uttar Pradesh – 246761

1. We have examined the compliance of conditions of Corporate Governance by Dhampur Sugar Mills Limited ('the Company'), for the year ended March 31, 2021, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended March 31, 2021.

   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.

Restrictions on use

6. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For GSK & Associates
(Company Secretaries)

Saket Sharma
Partner
(Membership No.: F4229)
(C.P. No.: 2565)
UDIN: F004229C000172848

Place: Kanpur
Date: April 24, 2021

Certificate of Non-Disqualification of Directors

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

To
The Members
Dhampur Sugar Mills Limited
District Bijnor, Dhampur,
Uttar Pradesh – 246761

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Dhampur Sugar Mills Limited having CIN: L15249UP1933PLC000511 and having registered office at District Bijnor Dhampur-246761(hereinafter referred to as 'the company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Shri Ashok Kumar Goel	00076553	15/03/1969
2	Shri Vijay Kumar Goel	00075317	19/08/1960
3	Shri Gaurav Goel	00076111	04/04/2007
4	Shri Gautam Goel	00076326	26/04/1994
5	Shri Ashwani Kumar Gupta	00108678	25/08/1989
6	Shri Sandeep Kumar Sharma	06906510	23/06/2014
7	Smt. Nandita Chaturvedi	07015079	12/11/2014
8	Shri Mahesh Prasad Mehrotra	00016768	06/07/1987
9	Shri Priya Brat	00041859	13/12/2002
10	Shri YashwardhanPoddar	00008749	30/07/2020
11	Shri Satpal Kumar Arora	00061420	30/07/2020

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which management has conducted the affairs of the Company.

For GSK & Associates
Company Secretaries
FRN: P2014UP036000

Saket Sharma
(Partner)
C.P. No: 2565
M. No: F4229
UDIN: F004229C000172859

Place: Kanpur
Date: April 24, 2021

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Dhampur Sugar Mills Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Dhampur Sugar Mills Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2021, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	Auditor's Response
1. Determination of NRV of Sugar for comparison with Cost of Production (COP) for valuation of inventory:	
As on March 31, 2021, the Company has inventory of sugar with a carrying valueof₹1145.78Crore. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the value of the inventory of sugar as a key audit matter given the relative value of inventory in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, and fluctuation in domestic and international selling prices in valuation of NRV.	**Principal Audit Procedures** We understood and tested the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory of sugar. We considered various factors including the prevailing unit specific domestic selling price during and subsequent to the year end, minimum selling price & monthly quota, selling price for contracted sugar export and initiatives taken by the Government with respect to sugar industry as a whole. 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.

Key Audit Matter	Auditor's Response
2. Recognition of Deferred Tax Assets (DTA) relating to minimum alternate tax (MAT) credit entitlement and re-measurement of Deferred Tax	
As on March 31, 2021, the company has recognised deferred tax asset relating to MAT credit entitlement amounting to ₹155.36 Crore. Also, company has re-measured its deferred tax assets and liabilities based on the expected adoption of lower tax regime, u/s 115BAA of Income Tax Act, to be applied in future. The Company exercises significant judgement in assessing the recoverability of DTA relating to MAT credit & reversal of DTL relating to dual income tax rates. In estimating the same,management uses inputs such as internal business and tax projections over a 10-year period. We considered this matter as key audit matter, as it is sensitive to the assumptions used by management in projecting the future taxable income, the reversal of deferred tax liabilities which can be scheduled, and tax planning strategies.	Principal Audit Procedures We considered relevant notifications/circulars issued by Income tax department and provisions of Income Tax Act, 1961 and relevant accounting standard and clarification given by Ind AS Technical Facilitation Group (ITFG). We also understood the various assumptions and judgements made by the management relating to forecast of future profitability projections and future taxable profits for making assessment of utilization of MAT credit entitlement and for migration to new tax regime. We evaluated the reasonableness and tested the appropriateness of those underlying assumptions and judgements based on the existing parameters and business environment. We performed a sensitivity analysis over the key assumptions to assess their impact on the Company's determination that the DTA relating to carry forward losses and MAT credit were realizable. We considered the issue of recognition of deferred tax asset and liabilities based on the tax rates expected to be applied at the time of its reversal and assessed the appropriateness of Company's accounting policy for recognition of deferred tax assets and liabilities and compliance of the policy with the requirement of prevailing accounting standards. Based on the above procedures performed, the recognition of deferred tax assets relating to the MAT credit entitlement and measurement of deferred tax assets and liabilities using the tax rates applicable at the time of reversal are considered adequate and reasonable.
3. Contingent Liabilities- Contingencies related to Regulatory, Direct and Indirect tax matters	
The Company has material contingencies related to Regulatory, Direct and Indirect tax matters which are under dispute with various authorities as more fully described in Note 40 (I) to theStandalone financial statements. The Company exercises significant judgment to determine the possible outcome of these disputes. Thereafter the Company makes a determination for recording/write-back of provisions or alternatively disclosing them as contingencies unless the matters are considered as remote. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias.	Principal Audit Procedures We have obtained an understanding of the Company's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures: 1) understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; 2) discussing with the management any material developments and latest status of legal matters; 3) read various correspondences and related documents pertaining to litigation cases produced by the management and performed substantive procedures on calculations supporting the disclosure of contingent liabilities; examining management's judgements and assessments whether provisions are required; considering the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; 4) reviewing the adequacy and completeness of disclosures; Based on the above procedures performed, the estimation and disclosures of contingent liabilities are considered to be adequate and reasonable.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's reports thereon.The aforesaid report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the company's annual report and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Standalone Financial statement in place and the operating effectiveness of such controls.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our report, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2021taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 over financial reporting with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting

(g) With respect to the matter 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 according to the information and explanation given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

(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, 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 March 31, 2021on its financial position in its Standalone Financial Statements. Refer Note - 39 to the Standalone Financial Statements;

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

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

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196
UDIN: 21429196AAAAAJ5131

Place of signature: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 21057986AAAAFL2118

Place of signature: New Delhi
Date: April 24, 2021

Annexure A to the Independent Auditors' Report

Referred to in our report of even date to the members of Dhampur Sugar Mills Limited on the Standalone Financial Statements for the year ended March 31, 2021, we report that:

(i) (a) In our opinion and according to the information and explanation given to us during the course of audit, the company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

(b) In our opinion and according to the information and explanation given to us during the course of audit, property, plant and equipment have been physically verified by the management at reasonable intervals having regard to the size of the company and the nature of its assets and no material discrepancy was noticed on such verification as compared to book records.

(c) According to the information and explanations given to us and on the basis of records examined by us, the title deeds of the immovable properties are held in the name of the company.

(ii) In our opinion and according to the information and explanations given to us, inventories have been physically verified by the management at reasonable intervals having regard to the size of the company and no material discrepancy was noticed on such verification as compared to book records.

(iii) In our opinion and according to the information and explanation given to us during the course of audit, 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. Therefore, sub clauses (a), (b) & (c) of paragraph 3(iii) the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanation given to us during the course of audit, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.

(v) According to the information and explanations given to us, in our opinion, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder in respect of deposits accepted during the year. As informed to us, no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this connection.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost records and Audit) Rules, 2014 under section 148 of the Companies Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and the books and records examined by us, we state that the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities There are no undisputed statutory dues as referred to above as at March 31, 2021 outstanding for a period of more than six months from the date they become payable We have been informed by the Company that they are in process of getting these returns rectified and are hopeful that these demands will be substantially reduced after rectification.

(b) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that there are no dues of income tax or sale tax or service tax or goods and service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute except mentioned in Annexure-A1.

(viii) According to the information and explanations given to us and the books and records examined by us, in our opinion, the Company has not defaulted in repayment of loans and borrowings to any financial institution, bank and government during the period. The Company has not borrowed any money by way of issue of debentures.

(ix) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the money raised by the Company by way of term loans have been applied for the purposes for which they were obtained. The company did not raise any money by way of initial public offer or further public offer during the current year.

(x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the company or on the company, by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanation given to us during the course of audit, the company has paid managerial remuneration in accordance with the requisite approvals as mandated by the provisions of Section 197 of the Act read with Schedule V of the Act.

(xii) In our opinion and according to the information and explanation given to us during the course of audit, the company is not a Nidhi company. Therefore, clause 3(xii) of the Order are not applicable.

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

(xiv) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year.

(xv) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the Company has not entered into non- cash transaction with directors or persons connected with him. Therefore paragraph 3(xv) Order is not applicable.

(xvi) In our opinion and according to the information and explanation given to us during the course of audit, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196
UDIN: 21429196AAAAAJ5131

Place of signature: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 21057986AAAAFL2118

Place of signature: New Delhi
Date: April 24, 2021

Annexure A1 to the Independent Auditors' Report:

(Referred to in paragraph vii (b) under 'Annexure A to the Independent Auditors Report section of our report of even date)

Sr#	Name of the Statute	Nature of Dues	Amount in ₹ Crore	Period to which the amount relates	Forum where the dispute is pending
1	Central Excise Act, 1944	Excise Duty	0.01	2003-04	Hon'ble Supreme Court
2	Central Excise Act, 1944	Excise Duty	0.02	2005-06	Hon'ble Supreme Court
3	Central Excise Act, 1944	Excise Duty	0.01	2012-13	Hon'ble Supreme Court
4	Central Excise Act, 1944	Excise Duty	#	2012-13	Hon'ble Supreme Court
	sub-total		**0.04**		
1	Central Excise Act, 1944	Excise Duty	#	1998-99	Honorable High Court of Allahabad
2	Central Excise Act, 1944	Excise Duty	0.01	2001-02	Honorable High Court of Allahabad
3	Central Excise Act, 1944	Excise Duty	#	2004-05	Honorable High Court of Allahabad
4	Central Excise Act, 1944	Excise Duty	#	2004-05	Honorable High Court of Allahabad
5	Central Excise Act, 1944	Excise Duty	0.01	2004-05	Honorable High Court of Allahabad
6	Central Excise Act, 1944	Excise Duty	0.02	2005-06	Honorable High Court of Allahabad
7	Central Excise Act, 1944	Excise Duty	0.04	2010-11	Honorable High Court of Allahabad
	sub-total		**0. 08**		
1	Central Excise Act, 1944	Excise Duty	0.04	1995-96	CESTAT, Allahabad Bench
2	Central Excise Act, 1944	Excise Duty	#	1996-97	CESTAT, Allahabad Bench
3	Central Excise Act, 1944	Excise Duty	0.01	2003-04	CESTAT, Allahabad Bench
4	Central Excise Act, 1944	Excise Duty	0.03	2004-05	CESTAT, Allahabad Bench
5	Central Excise Act, 1944	Excise Duty	0.03	2004-05	CESTAT, Allahabad Bench
6	Central Excise Act, 1944	Excise Duty	0.26	2005-06	CESTAT, Allahabad Bench
7	Central Excise Act, 1944	Excise Duty	0.04	2006-07	CESTAT, Allahabad Bench
8	Central Excise Act, 1944	Excise Duty	0.04	2009-10	CESTAT, Allahabad Bench
9	Central Excise Act, 1944	Excise Duty	#	2009-10	CESTAT, Allahabad Bench
10	Central Excise Act, 1944	Excise Duty	2.89	2010-11	CESTAT, Allahabad Bench
11	Central Excise Act, 1944	Excise Duty	4.75	2010-11	CESTAT, Allahabad Bench
12	Central Excise Act, 1944	Excise Duty	3.09	2010-11	CESTAT, Allahabad Bench
13	Central Excise Act, 1944	Excise Duty	2.08	2014-15	CESTAT, Allahabad Bench
	sub-total		**13.25**		
1	Central Excise Act, 1944	Excise Duty	#	2001-02	Commissioner Appeal
2	Central Excise Act, 1944	Excise Duty	#	2004-05	Commissioner Appeal
3	Central Excise Act, 1944	Excise Duty	#	2004-05	Commissioner Appeal
4	Central Excise Act, 1944	Excise Duty	0.05	2009-10	Commissioner Appeal
5	Central Excise Act, 1944	Excise Duty	0.31	2011-12	Commissioner Appeal
6	Central Excise Act, 1944	Excise Duty	0.14	2015-16	Commissioner Appeal
7	Central Excise Act, 1944	Excise Duty	0.38	2016-17	Commissioner Appeal
	sub-total		**0.88**		
	Total Excise duty demands		**14.25**		
1	Service Tax Law	Service Tax	0.56	2009-10	CESTAT, Allahabad Bench
2	Service Tax Law	Service Tax	0.11	2015-16	CESTAT, Allahabad Bench
	Total Service tax demands		**0.66**		
	Total Excise duty & Service tax demands		**14.91**		

Sr#	Name of the Statute	Nature of Dues	Amount in ₹ Crore	Period to which the amount relates	Forum where the dispute is pending
1	U.P. Trade Tax Act, 1948	Trade Tax	0.37	2014-15	Additional Commissioner (Appeals)
2	U.P. Trade Tax Act, 1948	Trade Tax	0.65	2014-15	Additional Commissioner (Appeals)
3	U.P. Trade Tax Act, 1948	Trade Tax	0.51	2015-16	Additional Commissioner (Appeals)
4	U.P. Trade Tax Act, 1948	Trade Tax	#	2015-16	Additional Commissioner (Appeals)
5	U.P. Trade Tax Act, 1948	Trade Tax	0.66	2016-17	Additional Commissioner (Appeals)
6	U.P. Trade Tax Act, 1948	Trade Tax	0.07	2016-17	Additional Commissioner (Appeals)
7	U.P. Trade Tax Act, 1948	Trade Tax	0.50	2017-18	Additional Commissioner (Appeals)
8	U.P. Trade Tax Act, 1948	Trade Tax	0.03	2017-18	Additional Commissioner (Appeals)
	Total Trade tax demands		2.81		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.82	1994-95	Honorable High Court of Allahabad
2	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	1.06	1994-95	Honorable High Court of Allahabad
3	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	1.25	1995-96	Honorable High Court of Allahabad
4	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.37	1995-96	Honorable High Court of Allahabad
5	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.89	2001-02	Honorable High Court of Allahabad
	Sub-total		4.39		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.02	2000-01	Commercial Tax Tribunal
	Sub-total		0.02		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.05	2014-15	Additional Commissioner (Appeals)
2	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.03	2017-18	Additional Commissioner (Appeals)
3	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.07	2015-16	Additional Commissioner (Appeals)
4	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.41	2016-17	Additional Commissioner (Appeals)
5	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.19	2017-18	Additional Commissioner (Appeals)
	Sub-total		0.75		
1	U.P. Tax on Entry of Goods into Local Area Act, 2007	Entry Tax	0.01	2010-11	Additional Commissioner
	Sub-total		0.01		
	Total Entry tax demands		5.17		
	Total Trade tax and Entry tax demands		7.98		

represents where value is less than ₹50,000/-

Annexure B to the Independent Auditors' Report on the Standalone Financial Statements of the Dhampur Sugar Mills Limited for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to aforesaid Standalone Financial Statementsunder Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reportingof Dhampur Sugar Mills Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196
UDIN: 21429196AAAAAJ5131

Place of signature: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 21057986AAAAFL2118

Place of signature: New Delhi
Date: April 24, 2021

Balance Sheet as at March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ in Crore)

Particulars				Note No.	As at March 31, 2021	As at March 31, 2020
	ASSETS					
(1)	Non - current assets					
	(a)	Property, plant and equipment		4	1,591.89	1,614.39
	(b)	Right-of use-asset		5(a)	18.09	18.09
	(c)	Capital work - in - progress		6	21.24	6.78
	(d)	Other intangible assets		7	2.48	2.87
	(e)	Biological asset		8 (i)	#	#
	(f)	Financial assets				
		(i)	Investments	9	13.29	27.29
		(ii)	Loans	10 (i)	2.90	2.80
		(iii)	Others financial assets	11 (i)	-	0.41
	(g)	Deferred tax asset (net)		23	-	6.19
	(h)	Other non - current assets		12 (i)	24.25	22.77
			Sub total (Non current assets)		**1,674.14**	**1,701.59**
(2)	Current assets					
	(a)	Inventories		13	1,292.55	1,603.70
	(b)	Biological asset		8 (ii)	1.04	1.17
	(c)	Financial assets				
		(i)	Trade receivables	14	307.47	309.16
		(ii)	Cash and cash equivalents	15	59.12	2.69
		(iii)	Bank Balances other than (ii) above	16	7.75	6.51
		(iv)	Loans	10 (ii)	2.30	1.70
		(v)	Others financial assets	11 (ii)	4.83	1.43
	(d)	Other current assets		12 (ii)	121.33	213.28
			Sub total (Current assets)		**1,796.39**	**2,139.64**
	(e)	Assets held for sale		17	-	1.64
			Total assets		**3,470.53**	**3,842.87**
	EQUITY AND LIABILITIES					
	EQUITY					
	(a)	Equity share capital		18	66.45	66.45
	(b)	Other equity		19	1,496.44	1,308.63
			Sub total (Equity)		**1,562.89**	**1,375.08**
	LIABILITIES					
(1)	Non - current liabilities					
	(a)	Financial liabilities				
		(i)	Borrowings	20 (i)	320.04	416.52
		(ii)	Lease Liabilities	5 (c)	11.07	13.09
	(b)	Other non - current liabilities		24 (i)	9.21	16.64
	(c)	Provisions		22 (i)	32.80	32.38
	(d)	Deferred tax liabilities (net)		23	31.20	-
			Sub total (non current liabilities)		**404.32**	**478.63**
(2)	Current liabilities					
	(a)	Financial liabilities				
		(i)	Borrowings	20 (ii)	710.68	1,200.82
		(ii)	Trade payables	25		
			(A) total outstanding due of micro enterprises and small enterprises; and	25	4.64	1.93
			(B) total outstanding due of creditors other than micro enterprises and small enterprises	25	589.21	563.07
		(iii)	Lease Liabilities	5 (c)	5.04	4.53
		(iv)	Other financial liabilities	21	155.38	178.51
	(b)	Other current liabilities		24(ii)	24.68	32.67
	(c)	Provisions		22 (ii)	9.04	7.63
	(d)	Current tax liabilities (net)		26	4.65	-
			Sub total (current liabilities)		**1,503.32**	**1,989.16**
			Total equity & liabilities		**3,470.53**	**3,842.87**

The accompanying notes from 1 to 55 form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

For Atul Garg & Associate
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel
Chairman
(DIN 00075317)

A. K. Goel
Vice Chairman
(DIN 00076553)

Gaurav Goel
Managing Director
(DIN 00076111)

Gautam Goel
Managing Director
(DIN 00076326)

M. P. Mehrotra
Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Statement of Profit & Loss for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ in Crore)

	Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
I	Revenue from operations	27	4,217.37	3,393.62
II	Other income	28	16.14	30.29
III	Total income (I + II)		**4,233.51**	**3,423.91**
IV	Expenses			
	Cost of materials consumed	29	2,847.24	2,497.19
	Excise duty on sale of goods	30	74.90	40.75
	Purchase of Stock-in-Trade	31	34.33	60.89
	Changes in inventories of finished goods, stock - in - trade and work - in - progress	32	332.46	28.60
	Employee benefits expenses	33	142.78	136.36
	Finance costs	34	79.67	100.07
	Depreciation and amortization expenses	35	77.10	75.39
	Other expenses	36	324.00	264.41
	Total expenses (IV)		**3,912.48**	**3,203.66**
V	Profit / (loss) before exceptional items and tax (III - IV)		**321.03**	**220.25**
VI	Exceptional items	37	(16.00)	(17.26)
VII	Profit / (loss) before tax (V - VI)		**305.03**	**202.99**
VIII	Tax expense			
	(1) Current tax	38	56.41	31.61
	(2) Deferred tax	23	29.76	(39.99)
			86.17	**(8.38)**
IX	**Profit / (loss) for the period (VII - VIII)**		**218.86**	**211.37**
X	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss			
	-- Remeasurement of post-employment benefits obligation		0.30	(2.23)
	-- Change in Fair value of FVOCI equity investments		1.50	(0.72)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	23	(0.26)	0.85
	B Items that will be reclassified to profit or loss			
	(i) Net change in intrinsic value of derivatives designated as cash flow hedges		10.30	(8.79)
	(ii) Income tax relating to items that will be reclassified to profit or loss	23	(3.60)	3.07
XI	**Total comprehensive income for the period (IX + X)**		**227.10**	**203.55**
XII	**Earning per equity share (face value of ₹ 10 each)**	39		
	(i) Basic (in ₹)		32.97	31.84
	(ii) Diluted (in ₹)		32.97	31.84

The accompanying notes from 1 to 55 form an integral part of the financial statements

This is the Statement of Profit and Loss Statement referred to in our report of even date

For Atul Garg & Associate
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel
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(DIN 00075317)

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Managing Director
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Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Statement of Changes in Equity for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

A. Equity share capital

(₹ in Crore)

For the year ended March 31, 2020			For the year ended March 31, 2021		
Balance as at April 1, 2019	Changes in equity share capital during the year	As at March 31, 2020	Balance as at April 1, 2020	Changes in equity share capital during the year	As at March 31, 2021
66.45	-	66.45	66.45	-	66.45

B. Other Equity

(₹ in Crore)

Particulars	Surplus						Others reserves			Total
	Capital reserve	Security premium	Storage fund/ reserve for molasses	Capital redemption reserve	General reserve	Retained earnings	Remeasurement of post-employment benefits obligation	FVOCI equity investment reserve	FVOCI cash flow hedge reserve	
Balance as at April 1, 2019	7.23	379.94	1.41	3.72	121.83	664.23	(2.86)	1.23	(0.08)	1,176.65
Profit for the year						211.37	-			211.37
Other comprehensive income						-	(1.45)	(0.65)	(5.72)	(7.82)
Total comprehensive income for the year	-	-	-	-	-	211.37	(1.45)	(0.65)	(5.72)	203.55
Molasses fund created during the year			0.38							0.38
Molasses fund utilised during the year			(0.21)							(0.21)
Interim Dividend paid, inclusive of taxes						(48.02)				(48.02)
Final dividend, inclusive of taxes						(24.01)				(24.01)
Transfer from statutory reserve					0.21					0.21
Reclassify to statemet of Profit and loss									0.08	0.08
Balance as at March 31, 2020	7.23	379.94	1.58	3.72	122.04	803.57	(4.31)	0.58	(5.72)	1,308.63
Profit for the year						218.86	-			218.86
Other comprehensive income						-	0.20	1.35	0.98	2.53
Total comprehensive income for the year	-	-	-	-	-	218.86	0.20	1.35	0.98	221.39
Molasses fund created during the year			0.53							0.53
Molasses fund utilised during the year			-							-
Reclassify to statement of Profit and loss									5.72	5.72
Final dividend, inclusive of taxes						-				-
Interim dividend, inclusive of taxes						(39.83)				(39.83)
Balance as at March 31, 2021	7.23	379.94	2.11	3.72	122.04	982.60	(4.11)	1.93	0.98	1,496.44

The accompanying notes from 1 to 55 form an integral part of the financial statements

This is theStatement of Change in Equity referred to in our report of even date

For Atul Garg & Associate
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel
Chairman
(DIN 00075317)

A. K. Goel
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M. P. Mehrotra
Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Statement of Cash Flow for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ in Crore)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A	**Cash flow from operating activities**		
	Net Profit after exceptional items and tax as per Statement of Profit and Loss	305.03	202.99
	Adjustments :		
	Depreciation and impairment of property, plant and equipment & Intangible asset	77.10	75.39
	(Gain) / Loss on disposal of property, plant and equipment	3.69	0.01
	Finance costs	79.67	100.07
	Storage fund for molasses	0.53	0.38
	Deferred Government grant	(0.38)	(0.38)
	Finance income	(0.59)	(0.76)
	Dividend income	(0.04)	(0.03)
	Impairment of investment written back/provision for advances to subsidiary company	(2.00)	(1.70)
	Loss on material held for disposal	1.64	-
	Provision for doubtful debts	1.39	-
	Fair value gain on re-measurement of biological assets through profit or loss	(1.11)	(2.85)
	Liabilities/ Provisions no longer required written back	(1.31)	(0.94)
	Bad-debts written off	5.01	9.52
	Exceptional items	16.00	17.26
	Provision for employee benefits	1.53	1.16
	Operating profit before working capital adjustments	**486.16**	**400.12**
	Working capital adjustments		
	(Increase) /Decrease in trade receivables	(4.71)	0.64
	(Increase) /Decrease in other financial assets	0.67	(1.08)
	(Increase) /Decrease in other assets	12.18	(19.40)
	(Increase) /Decrease in Government grants	87.86	(21.91)
	(Increase) /Decrease in asset held for sale	-	-
	(Increase) /Decrease in inventories	311.15	52.55
	Increase / (Decrease) in trade and other financial liabilities	27.55	6.97
	Increase / (Decrease) in provisions and other liabilities	(6.59)	(13.41)
	Cash generated from operations	**914.27**	**404.48**
	Tax expenses	(36.08)	(47.99)
	Net cash generated from operating activities	**878.19**	**356.49**
B	**Investing activities**		
	Purchase of property, plant and equipment	(87.87)	(61.15)
	Sale of property, plant and equipment	3.57	0.30
	Purchase of financial instruments other than subsidiaries	-	-
	Purchase of financial instruments in subsidiaries	(0.01)	-
	Loan to subsidiaries companies	(1.10)	(11.07)
	Sale/redemption of financial instruments	2.00	-
	Interest received	0.96	0.16
	Purchase/maturity of fixed deposits (Net)	(1.05)	0.70
	Dividend received	0.04	0.03
	Net cash flow from / (used in) investing activities	**(83.46)**	**(71.03)**

Statement of Cash Flow for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ in Crore)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
C	Financing activities		
	Repayments of long term borrowings	(165.94)	(184.40)
	Principal payment of Lease Liabilities	(3.49)	(3.63)
	Interest paid on Lease Liabilities	(1.55)	(0.65)
	Receipt of long term borrowings	52.16	32.60
	Proceeds from short term borrowings (net)	(490.14)	61.51
	Dividend including dividend distribution tax	(39.83)	(71.73)
	Finance cost paid	(89.51)	(119.09)
	Net cash flow from / (used in) financing activities	**(738.30)**	**(285.39)**
	Net increase in cash and cash equivalents (A+B+C)	**56.43**	**0.07**
	Opening cash & cash equivalents	**2.69**	**2.62**
	Closing cash and cash equivalents for the purpose of Cash Flow Statement (refer note 15)	**59.12**	**2.69**

Notes:

1 The above cash flow statement has been prepared under the indirect method setout in Indian Accounting Standard (Ind AS) 7

2 Figures in brackets indicate cash outflow from respective activities.

3 Cash and cash equivalents as at the Balance Sheet date consists of :

(₹ in Crore)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balances with banks :		
- On current account	1.69	1.49
- Funds in Transit	56.50	-
Cash on hand	0.93	1.20
Total	59.12	2.69

Reconciliation between the opening and closing balances in balance sheet for liabilities arising from financing activities :

(₹ in Crore)

Particulars	Long-term borrowings	Short-term borrowings	Total
Opening balance as on April 01, 2020	539.13	1,200.82	1,739.95
Financial cash flows (Net)	(113.78)	(490.14)	(603.92)
Change in Interest accrued	8.59	-	8.59
Closing balance as at March 31, 2021	**433.94**	**710.68**	**1,144.62**

The accompanying notes from 1 to 55 form an integral part of the financial statements

This is the Statement of Cash Flow referred to in our report of even date

For Atul Garg & Associate
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel
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(DIN 00075317)

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Managing Director
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Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Notes forming part of the Standalone Financial Statement

1) Corporate Information:

DhampurSugar Mills Limited ("DSML" or "the Company") having CIN No. L15249UP1933PLC000511 is a public company domiciled in India and incorporated under the

provisions of the Companies Act applicable in India and has its registered office at Dhampur, Uttar Pradesh, India.

Its shares are listed on two stock exchanges in India namely, National Stock Exchange of India and Bombay Stock Exchange of India.

The company is engaged mainly in the manufacturing and selling of sugar, chemicals, ethanol and co-generation and sale of power.

2) Significant Accounting Policies:

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

i. Basis of preparation and presentation

a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified undersection 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended)and relevant amendment rules thereafter and accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, assets for defined benefit plans and Biological assets that are measured at fair value,assets held for sale which ismeasured at lower of cost and fair value less cost to sell as explained further in notes to standalone financial statements.

c) Functional and presentation currency

The financial statements are presented in Indian rupees (₹) and all values are rounded to the nearest Crore and two decimals thereof, except if otherwise stated.

ii. Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for atleast twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria:

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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

iii. Property, plant and equipment &capital work-in-progress

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is being recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Freehold lands are stated at cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes less accumulated depreciation, and impairment loss, if any.

The cost of an asset includes the purchase cost of material, 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. For this purpose, cost includes carrying value as Deemed cost on the date of transition. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption. When parts of an item of PPE have different useful lives, they are accounted for as separate component.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost and related accumulated depreciation are eliminated from the financial statement upon sale or retirement of the asset and resultant gain or loss are recognized in the Statement of Profit and Loss.

Assets identified and technically evaluated as obsolete are retired from active use and held for disposal are stated at the lower of its carrying amount and fair value less cost to sell.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

Notes forming part of the Standalone Financial Statement

iv. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. For this purpose, cost includes carrying value as Deemed cost on the date of transition.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in the statement of profit andloss..

v. Depreciation and amortization

The classification of plant and machinery into continuous and non-continuous process is done as per their use and depreciation thereon is provided accordingly. Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II of the Companies Act, 2013.

The Company has used the following useful lives to provide depreciation on its tangible assets:

Assets	Useful Lives
Building	03-60 years
Plant & equipment	15-40 years
Furniture & fixtures	10 years
Railway sidings	15 years
Weighbridge	15 years
Computers	03 years
Office equipment	05 years
Electrical appliances	15 years
Vehicles	08 years
Farm asset and equipment	15 years

Intangible assets are amortized on a straight-line basis over the estimated useful economic life of the assets. The Company uses a rebuttable presumption that the useful life of intangible assets is ten years from the date when the assets is available for use.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year and are given effect to wherever appropriate.

vi. Foreign currency translations

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

vii. Inventories

Raw material, process chemicals, stores and packing material are measured at weighted average cost.

Work in progress, traded and finished goods (other than by products and scraps) are measured at lower of cost or net realizable value.

By products and scrap are carried at estimated Net Realizable Value.

Cost of finished goods and work in progress comprises of raw material cost (net of realizable value of By-products), variable and fixed production overhead, which are allocated to work in progress and finished goods on full absorption cost basis. Cost of inventory also includes all other cost incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

Net realizable value (NRV) is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

viii. Biological assets

Biological assets comprise of standing crop and livestock.

Biological assets are measured at fair value less cost to sell. Changes in fair value of biological assets is recognised in the statement of profit and loss account

The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops.

For Standing crop, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date.

When harvested, crop is transferred to inventory at fair value less costs to sell.

ix. Revenue recognition

The Company derives revenue primarily from sale of sugar and other by-products produced from processing of sugar cane, sale of power and sale of chemicals.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the company expect to receive in exchange of those products or services. Revenue is inclusive of excise duty and excluding estimated discount, pricing incentives, rebates, other similar allowances to the customers and excluding goods and service tax and other taxes and amounts collected on behalf of third parties or government, if any.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Contract Revenue

Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable that such cost will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

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The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

i. the amount of revenue can be measured reliably;

ii. it is probable that the economic benefits associated with the contract will flow to the Company;

iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and

iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

Dividend income

Dividend income is recognised when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Export incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

Other incomes

All other incomes are accounted on accrual basis.

x. Expenses

All expenses are accounted for on accrual basis.

xi. Long term borrowings

Long term borrowings are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on cumulative preference shares is recognised in Statement of Profit and Loss as finance costs.

xii. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale. 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. Other borrowing costs are expensed in the period in which they are incurred. Transaction costs incurred for long term borrowing until are not material are expensed in the period in which they are incurred.

xiii. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component based on the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification

Notes forming part of the Standalone Financial Statement

of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

xiv. Provision for current and deferred tax

(i) Current income tax :

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

The Company Offsets current tax assets and current tax liabilities,where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Company will update the amount in the financial statement if facts and circumstance change as a result of examination or action by tax authorities.

(ii) Deferred tax:

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax is recognized in Statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Minimum Alternate Tax (MAT) credits is recognised as deferred tax assets in the Balance Sheet only when the asset can be measured reliably and to the extent there is convincing evidence that sufficient taxable profit will be available against which the MAT credits can be utilised by the company in future.

xv. Impairment of non-financial assets

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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.

The Carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. Impairment is charged to the profit and loss account in the year in which an asset is identified as impaired.

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.

xvi. Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants related to assets, including non-monetary grants recorded at fair value,are treated as deferred income and are recognized and credited in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

xvii. Provisions, contingent liabilities and assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognised for future operating losses.

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

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

A contingent asset is not recognised but disclosed, when probable asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

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

xviii. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which are subject to an insignificant risk of changes in value.

Notes forming part of the Standalone Financial Statement

xix. Dividend payable

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholder's meeting and the Board of Directors respectively.

xx. Non-current assets (or disposal group) held for sale and discontinued operations:

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

xxi. Equity Issue Expenses

Expenses incurred on issue of equity shares are charged in securities premium account in the year in which it is incurred.

xxii. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

Initial recognition and measurement

All financial assets, except trade receivables are initially recognized at fair value. Trade receivables are initially measured at transaction price.Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value of the financial assets, as appropriate, on initial recognition.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) **Financial assets carried at amortised cost**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial assets give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is determined using the Effective Interest Rate (EIR) method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

b) **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income for these financial assets is included in other income using the effective interest rate method.

c) Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

d) Equity investments

All equity investments, except investments in subsidiaries 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 FVTOCI 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments in subsidiaries are carried at cost except for the equity investments in subsidiaries as at the transition date which are carried at deemed cost being fair value as at the date of transition.

Impairment of financial assets:

The company assesses on a forward looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risksince initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 "Financial Instruments" which requires expected lifetime losses to be recognised from initial recognition of receivables.The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed

Derecognition of financial assets:

The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

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B. Financial liabilities

Initial recognition and measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method or at FVTPL.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial liabilities:

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when, and only when the obligation specified in the contract is discharged or cancelled or expires.

C. Offsetting of financial instruments

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xxiii. Derivative Financial Instruments and Hedge Accounting

The Company uses various derivative financial instruments to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

A. Cash Flow Hedge:The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument,the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

B. Fair Value Hedge:The Company designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used for amortising to Statement of Profit and Loss over the period of maturity.

xxiv. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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 Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 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.

xxv. Employees benefits

a) Short-term obligations

Short-term obligations for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service up to the end of the reporting period are recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

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b) Post-employment obligations

i. Defined contribution plans

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make contribution at a specified percentage of the covered employee's salary. The contributions, as specified under Defined Contribution Plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period in the statement of profit and loss.

ii. Defined benefit plans

- Non-funded defined benefits plans:The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the company.The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.

  The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date.

  The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation.

  The service cost and net interest on the net defined benefit liability/(asset) is included in employees benefits expenses in the statement of profit and loss.

  Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised,whichever is earlier.

  Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. Re-measurements are not classified to the Statement of Profit and Loss in subsequent periods.

- Funded defined benefits plans: The Company also made contribution to the provident fund set up as irrevocable trust. The Company is generally liable for monthly contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

c) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation.

Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss.

d) Voluntary retirement scheme

Compensation to employees who have opted for retirement under the "Voluntary Retirement scheme" is charged to the profit and loss account in the year of retirement.

The Company required to use updated actuarial assumptions to remeasure net defined benefit liability or assets on amendments, curtailment or settlement of defined benefit plan.

The Company adopted amendment to Ind AS 19 as required by said notification to determine:

- Current Service Costs and net interest for the period after remeasurement using the assumptions used for remeasurement and
- Net interest for the remaining period based on the remeasured net defined benefit liability or asset.

xxvi. Operating segments

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Un-allocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Un-allocable".

xxvii. Cash flow statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxviii. Earnings per share

Basic earnings per share are calculated by dividing the profit/(loss) for the year(before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

xxix. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On July 24, 2020, the MCA has issued amendments to certain Ind AS. The amendments are effective from annual reporting periods beginning on or after April 1, 2020.The company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2020:

- Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Error: Refined definition of term "Materiality'- 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'
- Ind AS 103, Business Combinations: Revised definition of a 'business' and introduction of an optional concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business.
- Ind AS 109, Financial Instruments: Modification to some specific hedge accounting requirements to provide relief to the potential effects of uncertainty caused by the interest rate benchmark (IBOR) reform.
- Ind AS 116, Leases: Practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification. However, in case a lessee has not yet approved the financial statements for issue before the issuance of the amendments, then the same may be applied for annual reporting periods beginning on or after April 1, 2019.
- Ind AS 10 - "Events after the Reporting Period": Disclosure for nature of the event and an estimate of its financial effect / not being able to make such an estimate will be required for all non- adjusting events.

Notes forming part of the Standalone Financial Statement

- **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets**: A management decision to restructure, taken before the end of the reporting period does not give rise to a constructive obligation at the end of the reporting period unless the entity has, before the end of the reporting period, started to implement the restructuring plan or announced the main features of the restructuring plan to those affected by it.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New and revised IFRS Standards in issue but not yet effective:

Indian Accounting Standards (Ind AS) are derived from IFRS Standards issued by the International Accounting Standards Board (IASB). IFRS Standards are being issued/revised by the IASB from time to time. The Ind AS need to be issued/revised corresponding to the IFRS Standard in order to remain converged with IFRS. The IASB had issued new and revised IFRS standards which are in issue but not effective. Once they are notified by MCA, Company would analysis the impact on adoption.

3) Use of estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets,liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected

The areas involving critical judgement are as follows:

i. Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss.The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv. Provision for income taxes and deferred tax assets

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v. Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

vi. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

vii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted price in markets, then fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes forming part of the Standalone Financial Statement

Note 4 - Property, plant & equipment

(₹ in Crore)

Particulars	Land	Building	Plant & Equipments	Furniture & Fixtures	Computers	Office Equipment's	Electrical Appliances	Vehicles	Farm Assets and Equipment	Total (2019-20)
Gross Carrying Cost										
As at April 01, 2019	345.89	191.43	1,914.70	11.81	11.67	3.36	11.63	22.15	0.92	2,513.56
Additions during the year	-	11.86	79.03	1.91	0.23	0.06	0.51	2.63	-	96.23
Disposals/ deductions during the year	-	-	(0.20)	-	-	-	-	(0.60)	-	(0.80)
As at March 31, 2020	345.89	203.29	1,993.53	13.72	11.90	3.42	12.14	24.18	0.92	2,608.99
Depreciation										
As at April 01, 2019	-	69.55	811.56	9.95	9.37	2.49	9.34	11.26	0.55	924.07
Charges for the year	-	5.95	61.55	0.33	0.62	0.16	0.40	1.96	0.05	71.02
Disposals/ deductions during the year	-	-	(0.01)	-	-	-	-	(0.48)	-	(0.49)
As at March 31, 2020	-	75.50	873.10	10.28	9.99	2.65	9.74	12.74	0.60	994.60
Net Carrying Cost										
As at March 31, 2020	345.89	127.79	1,120.43	3.44	1.91	0.77	2.40	11.44	0.32	1,614.39
As at March 31, 2019	345.89	121.88	1,103.14	1.86	2.30	0.87	2.29	10.89	0.37	1,589.49

(₹ in Crore)

Particulars	Land	Building	Plant & Equipments	Furniture & Fixtures	Computers	Office Equipment's	Electrical Appliances	Vehicles	Farm Assets and Equipment	Total (2020-21)
Gross Carrying Cost										
As at April 01, 2020	345.89	203.29	1,993.53	13.72	11.90	3.42	12.14	24.18	0.92	2,608.99
Additions during the year	1.98	11.46	40.74	0.54	1.49	0.61	1.12	1.59	-	59.53
Additions on account of revaluation	-	-	-	-	-	-	-	-	-	-
Disposals/ deductions during the year	(0.42)	(1.53)	(12.49)	-	-	-	-	(0.15)	-	(14.59)
As at March 31, 2021	347.45	213.22	2,021.78	14.26	13.39	4.03	13.26	25.62	0.92	2,653.93
Depreciation	-	-	-	-	-	-	-	-	-	-
As at April 01, 2020	-	75.50	873.10	10.28	9.99	2.65	9.74	12.74	0.60	994.60
Charges for the year	-	6.52	64.11	0.53	0.73	0.19	0.53	2.10	0.05	74.76
Disposals/ deductions during the year	-	(0.72)	(6.52)	-	-	-	-	(0.08)	-	(7.33)

Notes forming part of the Standalone Financial Statement

Note 4 - Property, plant & equipment (contd)

(₹ in Crore)

Particulars	Land	Building	Plant & Equipments	Furniture & Fixtures	Computers	Office Equipment's	Electrical Appliances	Vehicles	Farm Assets and Equipment	Total (2020-21)
As at March 31, 2021	-	81.30	930.69	10.81	10.72	2.84	10.27	14.76	0.65	1,062.04
Net Carrying Cost										
As at March 31, 2021	347.45	131.92	1,091.09	3.45	2.67	1.19	2.99	10.86	0.27	1,591.89
As at March 31, 2020	345.89	127.79	1,120.43	3.44	1.91	0.77	2.40	11.44	0.32	1,614.39

Notes 4.1:

(i) Contractual commitment towards purchase of property, plant and equipment, refer note -40

(ii) The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer note 20 for detailed security terms)

(iii) Finance Cost

The finance costs on specific borrowings capitalized during the year amounted to ₹ Nil (March 31, 2020 : ₹0.12 Crore) using the capitalization rate of N.A (March 31, 2020: 8.40 %) per annum which is the effective interest rate of the specific borrowings. Further, the Company has not capitalized any borrowing costs on its general borrowings.

Note 5 - Leases

a. Right-of-use-assets

(₹ in Crore)

Particulars	Building	
	As at March 31, 2021	As at March 31, 2020
Gross Carrying Cost		
Opening Balance	22.07	-
Additions during the year	2.33	22.07
Disposals/deductions during the year	(0.41)	-
Borrowing cost	-	-
Closing Balance	**23.99**	**22.07**
Depreciation		
Opening Balance	3.98	-
Charges for the year	1.94	3.98
Disposals/deductions during the year	(0.02)	-
Closing Balance	**5.90**	**3.98**
Net Carrying Cost		
As at March 31, 2021	**18.09**	**18.09**
As at March 31, 2020	**18.09**	**-**

b. Lease Obligation (As a lessee):

The Company has adopted Ind AS 116 "Leases" effective April 1, 2019. The company has taken various premises on operating lease for lease period of 1 year to 5 years from the date of lease. The lease period may be further extended as per mutual decision of the parties.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value, the expenditure on which has been recognised under line item "Short Term Lease " under Other expenses.

Notes forming part of the Standalone Financial Statement

Note 5 - Leases (contd)

Incremental borrowing rate of 8.60 % has been used for measurement of present value of remaining lease payments and right of use assets.

c. The following is the movement in lease liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the Beginning	17.62	-
Additions during the year	2.33	21.25
Deletions during the year	(0.35)	-
Finance Cost Accrued during the year	1.55	0.65
Payment of Lease Liabilities during the year	(5.04)	(4.28)
Translation Difference	-	-
Balance at the end	**16.11**	**17.62**

The break-up of current and non-current lease liabilities is as follows

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Lease Liabilities	5.04	4.53
Non-Current Lease Liabilities	11.07	13.09
Total	**16.11**	**17.62**

d. Contractual maturities of lease liabilities on an undiscounted basis:

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the company has chosen to apply the practical expedient as per the standard.

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Less than one year	5.04	4.53
One to five years	13.86	18.12
More than five years	-	3.40
	18.90	**26.05**
Rental expense recognised for short-term leases and low value leases for the year	3.13	4.05

e. Expense

In the Statement of profit and loss for the current period, the nature of the expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of the standard has an impact of increase/(decrease) in total expense by ₹ (1.55) Crore and ₹ 0.35 Crore on the standalone financial results for the year ended March 31, 2021 and March 31, 2020 respectively.

Note 5 - Leases (contd)

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of rightof use assets (refer note 2xiii)	1.94	3.98
Finance Cost on Lease Liablity (refer note 2xiii)	1.55	0.65
Payment of lease liabilities- Rent Paid	(5.04)	(4.28)
	(1.55)	**0.35**

f. **Amount recognized in Statement of Cash Flow**

The lease payments have been classified as financing activities in the Statement of Cash Flow under Ind AS 116.The lease payments for operating leases were earlier reported under cash flow from operating activities.

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Repayment of Lease liabilities-Principal amount	3.49	3.63
Repayment of Lease liabilities-Interest amount	1.55	0.65
Total	**5.04**	**4.28**

g. The Company has not received/ exercised any concession like lease payments, rent free holidays etc.due to COVID-19. Therefore, no accounting relating to the modification of leases have been accounted for.

Note 6 - Capital Work In progress

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance		
Plant and equipment/ Civil work - in- progress (A)	6.78	33.95
Additions during the year		
Plant and equipment / Civil work - in - progress	57.69	57.13
(B)	**57.69**	**57.13**
Preoperative expenses/ trial run expenses		
Additions during the year :		
Finance costs (refer note 6.a)	-	0.12
(C)	-	0.12
Total additions during the year D= (B+C)	**57.69**	**57.25**
E = (A+D)	**64.47**	**91.20**
Capitalized during the year (F)	43.23	84.42
Capital work-in-progress at the end of the year G= (E-F)	**21.24**	**6.78**

Notes forming part of the Standalone Financial Statement

Note 7 - Intangible Assets

(₹ in Crore)

Particulars	Computer Software Licenses	
	As at March 31, 2021	As at March 31, 2020
Gross Carrying Cost		
Opening balance	3.92	3.90
Additions during the year	0.01	0.02
Disposals/deductions during the year	-	-
Closing balance (a)	**3.93**	**3.92**
Amortization		
Opening balance	1.05	0.66
Charges for the year	0.40	0.39
Closing balance (b)	**1.45**	**1.05**
Net carrying cost		
Net closing balance (a-b)	**2.48**	**2.87**

Note 8 - Biological Assets

(i) Non-current biological assets

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Live stock (refer note. 2(viii))	#	#
Live stock (Loss)	-	-
Closing Balance	**#**	**#**

Value is ₹ 37,771 not reflecting due to round off.

(ii) Current biological assets

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Standing Crop (refer note. 2(viii))	1.17	0.72
Add: Change in fair value *	1.11	2.85
Less: Harvested during the year	1.24	2.40
Closing Balance	**1.04**	**1.17**

* excludes fair value of self consumed sugar cane of ₹2.31 Crore (Previous Year ₹1.74 Crore)

Notes forming part of the Standalone Financial Statement

Note 9 - Financial assets - Investments

Non - Current Investments

(₹ in Crore)

Particulars	Face Value	No. of Shares/ Units	As at March 31, 2021	No. of Shares/ Units	As at March 31, 2020
(I) Equity Instruments					
(i) Investment in subsidiary (Unquoted)					
(Carried at deemed cost)					
Dhampur International Pte Ltd. (wholly owned subsidiary) (refer note 9 (d))	SG$ 1	10000	#	10000	#
	US $ 1	2000000	#	2000000	#
Carried at cost					
EHAAT Limited (wholly owned subsidiary)	₹10	3770000	-	3770000	3.77
Less :- Impairment during the year			-		(3.77)
Net Investment in EHAAT Limited (wholly owned subsidiary)			-		-
Dhampur International Pte Ltd. (wholly owned subsidiary)	US $ 1	4000000	26.13	4000000	26.13
Less :- Impairment during the year			(15.50)		-
Net Investment in Dhampur International Pte Ltd. (wholly owned subsidiary)			10.63		26.13
DETS Limited (having controlling stake of 51%)	₹10	428400	0.24	428400	1.41
Less :- Impairment during the year			-		(1.17)
Net Investment in DETS Limited (having controlling stake of 51%)			0.24		0.24
Dhampur Bio Organics Limited (Formerly known as RMSD Enterprises Private Limited) (wholly owned subsidiary)			0.01		-
(10000 share of ₹10/- each) (refer note 9 (f))					
Total Investment in subsidiary (Unquoted)			10.88		26.37
(ii) Investment in others (Unquoted)					
(Carried at deemed cost)					
Rāmgangā Sanyukta Sahkari Kheti Samiti Limited	₹100	1	#	1	#
(Value is ₹100, not reflecting due to rounding off)					
Total of Investment in others (Unquoted)			#		#
(iii) Investment in others (Quoted)					
(Carried at fair value through other comprehensive income)					
VLS Finance Limited	₹10	263142	2.15	263142	0.85
South Asian Enterprises Limited	₹10	250000	0.26	250000	0.07
Total Investment in others (Quoted)			2.41		0.92
Total			13.29		27.29

Notes forming part of the Standalone Financial Statement

Note 9 - Financial assets - Investments (contd)

9 (a) Disclosure

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment carried at deemed cost	10.88	26.37
Investment carried at fair value through FVTPL (Market Price)	-	-
Investment carried at fair value through OCI (Market Price)	2.41	0.92

9 (b) Disclosure for Valuation method used

Disclosure of non-current investments

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate amount of quoted investments and market Value	2.41	0.92
Aggregate amount of unquoted investments	10.88	26.37
Aggregate amount of write off and impairment in value of Investments	15.50	4.94

9 (c) The list of subsidaries along with proportion of ownership interest held and country of incorporation are disclosed in Note No. 49 to Consolidated Financial Statements for the FY 2020-21.

9 (d) Investment in Dhampur International PTE Ltd

The Company has fair valued its investments in its subsidiary ""Dhampur International PTE Ltd."" and used that fair value as deemed cost for measuring such investments at the time of transition to IND AS i.e. at April 01, 2016. # The investment is valued at ₹1/-"

9 (e) Investments at Fair Value Through Other Comprehensive Income (FVTOCI) reflect investment in quoted and unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company, thus disclosing their fair value change in profit and loss will not reflect the purpose of holding.

9 (f) During the year, the company has acquired the 10,000 Equity shares of Dhampur Bio Organics Limited (Formerly known as RMSD Enterprises Private Limited) constituting 100% of paid up share capital and became the wholly owned subsidiary company.

9 (g) Impairment test for investment in a subsidiary

The Company assesses at the end of each reporting period whether there is objective evidence that investments in subsidiaries are impaired.

As a result of this impairment analysis, the recoverable amount of its investment in DIPL was determined to be INR 10.63 Crore resulting in an impairment of INR 15.50 Crore for the year ended March 31, 2021. The total impairment for the year ended March 31, 2021 has been presented as an exceptional item (refer note 37)

Key assumptions considered by the Company in determining fair value less costs to sell under "Basis of Net Worth Approach" includes the net worth of the shares adjusted for an appropriate control premium. The assumptions used by the Company under the "Basis of Net Worth Approach" includes significant unobservable inputs and therefore considered as a level 3 input under the fair value hierarchy.

In developing the assumptions relating to the recoverable amounts, the Company considered both internal and external evidences as appropriate. If the assumptions considered change in future due to possible effect of uncertainties, this could result in additional impairments the effects of which may not have been estimated as at the date of the approval of these financial statements.

Notes forming part of the Standalone Financial Statement

Note 10 - Financial assets - Loans

(i) Non-current loans (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Security deposits*		
- to related parties	2.06	1.86
- to others	0.84	0.94
Total	2.90	2.80

* Security deposits primarily includes deposits given towards rented premises,

(ii) Current Loans (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Loans and advances to subsidiary companies (refer note 43)	2.30	1.70
Total	2.30	1.70

Note 11 - Other financial assets

(i) Other Non- current financial assets (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Other Recoverable	-	0.41
Total	-	0.41

(ii) Other current financial assets (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Insurance claim receivable	0.12	0.05
Interest receivable	0.68	1.21
Other recoverable	2.51	0.17
Carried at fair value through other comprehensive income		
Derivative Assets	1.52	-
Total	4.83	1.43

Note 12 - Other assets

(i) Other Non-current assets (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital advance	16.55	1.44
Income tax refundable*	6.04	17.95
Payment of taxes under protest/appeal	1.66	3.38
Total	24.25	22.77

Notes forming part of the Standalone Financial Statement

Note 12 - Other assets (contd)

* Note - Non-current income tax

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance tax paid/refund	6.04	17.95
Less : Provision for tax	-	-
Total	**6.04**	**17.95**

(ii) Other current assets (Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to suppliers	13.15	17.69
Advances to employees	0.42	0.60
Balance with revenue authorities	11.21	16.70
Subsidy receivable from Government/Government Authority	83.28	163.05
Prepaid expenses	11.35	13.55
Advance recoverable - other	1.92	1.69
Total	**121.33**	**213.28**

Note 13 - Inventories

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
(refer note no. - ' 2 (vii) ' for Mode of Valuation)		
Raw materials	30.06	14.24
Work-in-process	25.03	20.43
Finished goods	1,197.21	1,534.50
Stock in trade	0.55	0.32
Stores & Spare parts	39.58	34.09
Loose tools	0.12	0.12
Total	**1,292.55**	**1,603.70**
Carrying amount of inventories pledged as security for borrowings	1,292.55	1,603.70

Note 14 - Trade receivables

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Other than Related party		
- Unsecured, considered good	295.34	307.08
- Which have significant increase in Credit Risk	-	-
- Credit impaired	-	-
Less : Provision for impairment allowances	-	-
From Related party		
- Unsecured, considered good	12.13	2.08
- Which have significant increase in Credit Risk	-	-
- Credit impaired	-	-
Less : Provision for impairment allowances	-	-
Total	**307.47**	**309.16**

Note 15 - Cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks :	-	
- On current account	1.69	1.49
- Funds in Transit*	56.50	-
Cash on hand	0.93	1.20
Total	59.12	2.69

Note 16 - Bank Balances other than cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks :		
- In unpaid dividend account	1.18	0.99
Other bank balances :		
Deposits earmarked for fixed deposit and others	4.45	4.11
Deposits earmarked for molasses storage fund	2.12	1.41
Total	**7.75**	**6.51**
Value of Restricited Bank Balances	**7.75**	**6.51**

Note 17 - Assets held for sale

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Material held for disposal*	-	1.64
Total	-	1.64

* Biogas Genset parts under power segment currently valued at nil as it has been write-off during the current year.

Note 18 - Share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	(₹ In Crore)	No.	(₹ In Crore)
Authorized shares				
Equity shares of ₹10/- each	1,13,82,60,00	113.83	1,13,82,60,00	113.83
Preference shares of ₹100/- each	6,91,74,00	69.17	6,91,74,00	69.17
Issued , subscribed and paid-up shares				
Equity				
Equity shares of ₹10/- each fully paid-up	66,38,75,90	66.38	66,38,75,90	66.38
Equity shares forfeited	32,54,96	0.07	32,54,96	0.07
Less : Calls in arrears	-	-	539	#
TOTAL		**66.45**		**66.45**

Notes forming part of the Standalone Financial Statement

Note 18 - Share capital (contd)

Note 18. a - Reconciliation of shares outstanding at the beginning and at the end of the reporting period is set out below :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	(₹ In Crore)	No.	(₹ In Crore)
Issued , subscribed and paid-up shares				
Equity shares				
At the beginning of the period	66,38,75,90	66.38	66,38,75,90	66.38
Issued during the period	-	-	-	-
Outstanding at the end of the period	66,38,75,90	66.38	66,38,75,90	66.38

Note 18. b - Details of shareholders holding more than 5% shares :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	% holding	No.	% holding
Equity shares of ₹10 each fully paid-up				
Goel Investments Ltd.	91,11,921	13.73	6,63,69,80	10.00
Anil Kumar Goel	5,87,00,00	8.84	5,77,80,05	8.70
Sonitron Ltd.	4,94,07,16	7.44	4,02,97,59	6.07
Shudh Edible Products Ltd.	4,29,96,80	6.48	4,29,96,80	6.48
Mr. Gautam Goel	4,24,23,39	6.39	4,24,23,39	6.39
Mr. Gaurav Goel	2,01,69,04	3.04	4,31,69,04	6.50

Note 18. c - Calls unpaid of equity shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	(₹In Crore)	No.	(₹ In Crore)
i) Calls unpaid by directors and officers	Nil	Nil	Nil	Nil
ii) Calls unpaid by others	Nil	Nil	539	2425

Note 18. d - Terms/right attached to equity shares

i) The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

ii) The company declares and pays dividend in Indian rupees. The holders of the equity shares are entitled to receive dividends as declared from time to time.

Note 18.e - Dividend

i) Detail of interim dividend and final dividend proposed

The Board of Directors has declared interim dividend of 60% on equity shares (INR 6.00 per equity shares of ₹10 each) in the meeting held on February 02, 2021 and the same has been paid in stipulated timeline and it is treated as final dividend.

Note 18. f - No share is reserved for issue under options and contracts for the sale of shares, including terms and amounts.

Note 19 - Other Equity

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
A. Reserve and Surplus		
(i) Capital redemption reserve	3.72	3.72
(ii) Capital reserve	7.23	7.23
(iii) General reserve	122.04	122.04
(iv) Securities premium	379.94	379.94
(v) Storage fund/reserve for molasses	2.11	1.58
(vi) Retained Earnings	982.60	803.57
B. Other reserve		
(i) Remeasurement of post employment benefit obligation	(4.11)	(4.31)
(ii) FVOCI equity reserve	1.93	0.58
(iii) FVOCI Cash flow hedge reserve	0.98	(5.72)
TOTAL	1,496.44	1,308.63

Note 19.1 Movement in Other equity

A. Reserve and Surplus

(i) Capital Redemption Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	3.72	3.72
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
Closing Balance	3.72	3.72

(ii) Capital Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	7.23	7.23
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
Closing Balance	7.23	7.23

(iii) General Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	122.04	121.83
Add: Transfer from retained earnings	-	-
Add: Transfer from storage fund/reserve for molasses (refer A (v))	-	0.21
Less: Utilised during the year	-	-
Closing Balance	122.04	122.04

Notes forming part of the Standalone Financial Statement

Note 19 - Other Equity (contd)

(iv) Securities Premium Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	379.94	379.94
Add: Premium on shares issued during the year	-	-
Less: Expenses on issue of shares during the year	-	-
Closing Balance	379.94	379.94

(v) Storage fund/reserve for molasses

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	1.58	1.41
Add: Molasses fund created during the year	0.53	0.38
Less: Molasses fund Utilised during the year (transferred to General reserve)	-	0.21
Closing Balance	2.11	1.58

(vi) Retained Earnings

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
As per last account	803.57	664.23
Add:		-
Reclassification of Remeasurement of post employment benefit obligation	-	-
Net Profit for the period	218.86	211.37
Less: Appropriations		
i) Interim dividend inclusive of dividend distribution tax if any	39.83	48.02
ii) Final dividend inclusive of dividend distribution tax if any	-	24.01
iii) Net gain on sale of REC's transferred to Capital Reserve	-	-
Closing Balance	982.60	803.57

B. Other Reserves

(i) Remeasurement of post employment benefit obligation

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	(4.31)	(2.86)
Add: Addition during the year	0.20	(1.45)
Less: Utilised during the year	-	-
Closing Balance	(4.11)	(4.31)

(ii) FVOCI Equity Reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	0.58	1.23
Add: Addition during the year	1.35	(0.65)
Less: Utilised during the year	-	-
Closing Balance	1.93	0.58

Note 19 - Other Equity (contd)

(iii) FVOCI Cash flow hedge reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	(5.72)	(0.08)
Add: Addition during the year	0.98	(5.72)
Less: reclassify to Profit & Loss	5.72	0.08
Closing Balance	0.98	(5.72)

Note 19.2 : Nature and purpose of reserves

(i) Capital Redemption Reserve

Capital redemption reserve was created against the redemption of cumulative preference shares.

(ii) Capital Reserve

Capital reserve was created against amalgamation.

(iii) General Reserve

This represents appropriation of profit after tax by the company.

(iv) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(v) Storage fund/reserve for molasses

"The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974."

(vi) Retained Earnings

This comprise company's undistributed profit after taxes.

(vii) FVOCI Equity Investment

The company has elected to recognise changes in fair value of certain investments in equity securities through OCI as Other Reserves. The company transfers amount from this reserves to retained earnings when the relevant investment is sold and realised.

(viii) FVOCI Cash flow hedge reserve

The cash flow hedge reserve represents the cumulative effective portion of gain or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedge transaction occurs.

Notes forming part of the Standalone Financial Statement

Note 20 - Financial liabilities "Borrowings"

(i) Non-current borrowings

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
I. Secured - carried at amortised cost		
Secured :		
Term Loans		
From banks		
Rupee loans from banks (For Security refer note 20.a)	226.08	359.26
From entities other than banks		
Rupee Loans :		
Government of India, Sugar Development Fund (SDF) (For Security refer note 20.a)	34.20	45.91
II. Unsecured intercorporate deposit - carried at amortised cost		
Intercorporate Deposit - from related parties	35.00	
Unsecured - carried at amortised cost		
Deposit - from related parties	8.61	5.49
- from public	16.15	5.86
Total	**320.04**	**416.52**

a) Nature of Security in respect of Long Term Borrowings :

(i) Rupee term loan from PNB under the Government sponsored Scheme for Extending Soft loan to sugar mills are secured by third parri passu charge on block of fixed assets of five units of the Company and personal guarantee of promoter directors

(ii) Rupee term loan from PNB are secured by first parri passu charge on block of fixed assets of the Company and personal guarantee of promoter directors.

(iii) Rupee term loan from PNB (funded by State Government U.P.) are secured by first parri passu charge on block of fixed assets of the Company.

(iv) Rupee term loan from UCO Bank are secured by subservient charge over land and building, plant & machinery and other immovable and movable fixed assets of the Company present and future and personal guarantee of two promoter directors.

(v) Rupee term loan from Sugar Development Fund (SDF) are secured by first pari passu charge over the movable and immovable properties of DSM Sugar Rajpura, a unit of the Company, situated at Rajpura.

(vi) Rupee term loan from Sugar Development Fund (SDF) are secured by first parri passu charge over the movable and immovable properties of one of its unit i.e. DSM Sugar Rajpura, situated at Rajpura and personal guarantee of promoter directors.

(vii) Rupee term loan from Sugar Development Fund (SDF) are secured by first parri passu charge over the movable and immovable properties of one of its unit i.e. DSM Sugar Asmoli, situated at Asmoli and personal guarantee of promoter directors

(viii) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable properties of one of its unit i.e. Dhampur Sugar Mills Limited, Unit- Dhampur situated at Dhampur.

(ix) Inter Corporate Deposit are secured by by way of "personal guarantee of Mr. Gaurav Goel, the Promotor of the Company.

(ix) All other term loans from banks are secured by first parri passu charge on all movable and immovable assets except book debts, stock in trade, raw material, spare parts and other current assets and are guaranteed by promoter directors.

Note 20 - Financial liabilities "Borrowings" (contd)

(ii) Current borrowings

(₹ in Crore)

Particulars	As at March 31, 2021		As at March 31, 2020	
Unsecured - carried at amortised cost				
Loans repayable on demand				
Unsecured				
Deposits from public		-	0.20	0.20
Short term loans and advances :				
- from related parties	1.90		-	
- from others	1.54	3.44	-	-
Short Term Loan				
From bank				
Secured - at amortised cost				
Punjab National Bank		-	274.33	274.33
Working capital loans				
From banks				
Secured - at amortised cost				
Punjab National Bank	341.15		453.63	
Bank of Baroda	-		-	
Central Bank of India	69.81		71.83	
District Co-operative Bank	219.59		241.10	
"Prathma U P Gramin Bank (Prathma Bank merged with Sarva U P Gramin Bank)"	51.67		116.10	
State Bank of India	25.02	707.24	43.63	926.29
		710.68		1,200.82

b) Terms of repayment :

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2021		Amount outstanding as at March 31, 2020		Period of maturity w.r.t the Balance Sheet date as at March 31, 2021	Number of Installments outstanding as at March 31, 2021	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ In Crore)	Non Current (₹ In Crore)	Current (₹ In Crore)	Non Current (₹ In Crore)				
1) Punjab National Bank									
Term loan from bank (Soft Loan)	7.95%	19.82	0.23	19.82	20.05	1 Year, 3 Months	5 Quarterly Installments	4.95	Refer note no. 20 (i) (a) (i) below
Term loan from bank	7.95%	3.00	1.50	3.32	5.01	1 Year, 6 Months	6 Quarterly Installments	0.75	Refer note no. 20 (i) (a) (ii) below
Term loan from bank	7.95%	3.30	1.65	3.30	4.95	1 Year, 6 Months	6 Quarterly Installments	0.82	Refer note no. 20 (i) (a) (ii) below
Term loan from bank	7.95%	15.18	3.80	15.18	18.98	1 Year, 3 Months	5 Quarterly Installments	3.80	Refer note no. 20 (i) (a) (ii) below

Notes forming part of the Standalone Financial Statement

Note 20 - Financial liabilities "Borrowings" (contd)

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2021		Amount outstanding as at March 31, 2020		Period of maturity w.r.t the Balance Sheet date as at March 31, 2021	Number of Installments outstanding as at March 31, 2021	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ In Crore)	Non Current (₹ In Crore)	Current (₹ In Crore)	Non Current (₹ In Crore)				
Term loan from bank (Soft Loan)	5.00%	53.24	115.36	53.25	173.05	3 Year, 3 Months	39 Monthly Installments	4.44	Refer note no. 20 (i) (a) (iii) below
Term loan from bank (Expansion for Distillery Capacity - Dhampur) *	7.95%	6.30	15.75	6.30	22.05	3 Year, 6 Months, 1 Day	15 Quarterly Installments	1.575	Refer note no. 20 (i) (a) (ii) below
Term loan from bank (Expansion for Distillery Capacity - Asmoli) *	7.95%	3.00	7.50	3.00	10.50	3 Year, 6 Months, 1 Day	15 Quarterly Installments	0.75	Refer note no. 20 (i) (a) (ii) below
Less :- Ind AS Impact		(5.23)	(5.21)	(6.81)	(10.45)				
	Sub-Total	**98.61**	**140.58**	**97.36**	**244.14**				
2) Central Bank of India	NA	-	-	5.42	8.12	Fully repaid			NA
3) UCO Bank	10.00%	-	85.50	-	107.00	5 Year	16 Quarterly Installments	5.375 except last four installment of ₹5.25	Refer note no. 20 (i) (a) (iv) below
4) Government of India, Sugar Development Fund									
	4.75%	7.14	17.84	7.14	24.98	3 Year, 6 Months	7 Half yearly Installments	3.57	Refer note no. 20 (i) (a) (v) below
	4.75%	0	4.7	-	4.70	6 Year, 4 Months	10 Half yearly Installments	0.47	Refer note no. 20 (i) (a) (vi) below
	4.50%	1.22	1.82	1.22	3.04	2 Year, 6 Months	5 Half yearly Installments	0.61	Refer note no. 20 (i) (a) (vii) below
	4.25%	1.17	2.36	1.18	3.54	2 Year, 7 Months	6 Half yearly Installments	0.59	Refer note no. 20 (i) (a) (vii) below
	3.40%	3.84	9.6	1.92	13.44	3 Year, 6 Months	7 Half yearly Installments	1.92	Refer note no. 20 (i) (a) (viii) below

Note 20 - Financial liabilities "Borrowings" (contd)

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2021		Amount outstanding as at March 31, 2020		Period of maturity w.r.t the Balance Sheet date as at March 31, 2021	Number of Installments outstanding as at March 31, 2021	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ In Crore)	Non Current (₹ In Crore)	Current (₹ In Crore)	Non Current (₹ In Crore)				
Less :- Ind AS Impact		(1.50)	(2.12)	(1.86)	(3.79)				
	Sub-Total	**11.87**	**34.20**	**9.60**	**45.91**				
Unsecured Intercorporate Deposit									
from related parties	9.50%	-	35.00	-	-	2 Years	Single Installment	35	Refer note no. 20 (i) (a) (ix) below
	Sub-Total	**-**	**35.00**						
Unsecured :									
Deposit - from related parties		-	8.61	2.25	5.49	From F.Y 2021-22 to F.Y 2023-24	Payable on different due dates	-	-
'- from public		0.47	16.15	2.03	5.86	From F.Y 2021-22 to F.Y 2023-24	Payable on different due dates	-	-
	Sub-Total	**0.47**	**24.76**	**4.28**	**11.35**				
	Grand-Total	**110.95**	**320.04**	**116.66**	**416.52**				

c) Nature of Security in respect of Short Term Borrowings :

Working Capital loans from Punjab National Bank are secured :

- by way of first parri passu charge and pledge of stocks of sugar and sugar-in-process both present and future.
- by way of first parri passu charge and hypothecation of molasses, bagasse, general stores, chemicals unit finished goods/ raw material, co-generation unit raw material, book debts etc. both present and future of the Company.
- by way of third parri passu charge on the block of fixed assets/immovable properties of the Company
- by personal guarantee of the two promoter directors of the Company

Working Capital loans from Central Bank of India are secured :

- by way of pledge of stocks of sugar and sugar-in-process both present and future on parri passu basis with other banks.
- by way of hypothecation of molasses, bagasse, general stores both present and future on parri passu basis of the Company.
- by way of first parri passu charge on the current assets of the Company
- by way of third parri passu charge on the land and buildings of the Company
- by personal guarantee of promoter directors of the Company

Notes forming part of the Standalone Financial Statement

Note 20 - Financial liabilities "Borrowings" (contd)

Working Capital loans from all District Co-operative Banks are secured :

- by way of pledge of stocks of sugar
- by personal guarantee of promoter directors of the Company

Working Capital loans from Prathma U P Gramin Bank are secured (Prathma Bank merged with Sarva U P Gramin Bank):

- by way of pledge of stocks of sugar and sugar-in-process
- by way third parri passu charge on the block of fixed assets , both present and future, of the Company
- by personal guarantee of promoter directors of the Company

Working Capital Demand loans from State Bank of India against Warehouse receipts of NBHC/Star Agri are secured :

- by way of first and exclusive charge on the stocks of sugar
- by personal guarantee of promoter directors of the Company

Note 21 - Other Current Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Current maturities of long term borrowings (refer note 20.a)	110.95	116.66
Interest accrued but not due on borrowings	2.90	1.68
Interest accrued and due on borrowings {including ₹0.01Crore (PY ₹0.33 Crore) on interest accrued and due on unclaimed matured deposit} "	0.02	3.36
Interest accrued on MSME	0.37	0.36
Other payables	0.01	0.01
Unclaimed matured deposits	0.03	0.91
Provision for CSR Expense	4.90	-
Unpaid liability	19.21	28.85
Employee benefits	11.39	9.34
Security deposits	4.42	4.37
Unclaimed dividend	1.18	0.99
Carried at fair value through other comprehensive income		
Derivative Liabilities	-	11.98
Total	**155.38**	**178.51**

* Includes interest debited by banks on loans at the close of business hours as at year end i.e. March 31 which has been repaid by the company on next working day.

Notes forming part of the Standalone Financial Statement

Note 22 - Provisions

(i) Long term provision

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits	-	
Gratuity (refer note 48(ii)(a))	32.80	32.38
Total	**32.80**	**32.38**

(ii) Short term provision

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
- Gratuity (refer note 48(ii)(a))	2.93	2.49
- Others	6.11	5.14
Total	**9.04**	**7.63**

Note 23 - Deferred Tax Asset/ (Liability)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset :		
- On account of carried forward losses and unabsorbed depreciation	-	-
- On account of difference in the tax base value and carrying amount of Investments/security deposits	5.94	2.51
- On account of government grants	-	0.80
- On account of temporary differences on allowablility of expenses for tax purposes	8.60	15.65
- MAT credit entitlement	155.36	176.93
	169.90	**195.89**
Deferred tax liability :		
- On account of property, plant & equipments (other than land)	190.68	176.83
- On account of difference in the tax base value and carrying amount of land	10.42	12.87
	201.10	**189.70**
Net deferred tax assets/(liabilities)	**(31.20)**	**6.19**

Note 23.1 : Movement in deferred tax Liabilities/ deferred tax assets

(₹ In Crore)

Particulars	Property Plant & Equipment	Other items	MAT credit entitlement	Total
At April 01, 2019	**(216.09)**	**2.24**	**176.18**	**(37.67)**
(Charged)/credited:-				
- to profit & loss	39.26	(0.02)	0.75	39.99
- to other comprehensive income	-	3.92	-	3.92
- revsersal of deferred tax on last year other comprehensive income	-	(0.05)	-	(0.05)
At March 31, 2020	**(176.83)**	**6.09**	**176.93**	**6.19**

Notes forming part of the Standalone Financial Statement

Note 23 - Deferred Tax Asset/ (Liability) (contd)

(₹ In Crore)

Particulars	Property Plant & Equipment	Other items	MAT credit entitlement	Total
(Charged)/credited:-				
- to profit & loss	(13.85)	5.66	(21.57)	(29.76)
- to other comprehensive income	-	(3.86)	-	(3.86)
- revsersal of deferred tax on last year other comprehensive income	-	(3.77)	-	(3.77)
At March 31, 2021	(190.68)	4.12	155.36	(31.20)

Note 24 - Other Liabilities

(i) Non-Current Liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Government Grants (refer note no. 41)	9.21	16.64
Total	**9.21**	**16.64**

(ii) Current Liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Government Grants (refer note no. 41)	6.76	8.54
Advance from customers	6.49	5.62
Statutory dues payable	10.49	17.31
Others	0.94	1.20
Total	**24.68**	**32.67**

Note 25 - Trade payables

Current

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	4.64	1.93
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	589.21	563.07
Total	**593.85**	**565.00**

Notes forming part of the Standalone Financial Statement

Note 25 - Trade payables (contd)

Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Crore)

Description	As at March 31, 2021	As at March 31, 2020
a) The principal amount remaining unpaid to suppliers as at the end of accounting year	4.64	1.93
b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	0.37	0.36
c) The amount of interest paid by the company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	-	-
d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	-	-
e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	0.02	0.22
f) The amount of further interest remaining due and payable even in succeeding years	0.37	0.36

The above mentioned outstanding's are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 26 - Current tax liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax	53.15	33.10
Less: Advance tax paid	48.50	33.10
Total	4.65	-

Note 27 - Revenue From operations

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(i) Sale of Products:		
a) Manufactured goods		
Sugar	3,041.20	2,484.54
Molasses	10.58	0.00
Bagasse	8.25	-
Chemicals	839.23	588.88
Power	113.91	109.99
Others	0.21	3.18
b) Traded goods		
Others	35.66	58.12
Sub-Total (i)	4,049.04	3,244.71

Notes forming part of the Standalone Financial Statement

Note 27 - Revenue From operations (contd)

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(ii) Other Operating Revenue		
Scrap sale	5.27	4.07
Insurance claim received	0.46	0.48
Indirect taxes refunds	0.22	8.69
Subsidy from Government (refer note no 40)	158.89	128.39
Fair value gain on re-measurement of biological assets through profit or loss*	1.11	2.85
Duty drawback	1.50	0.37
Miscellaneous income	0.88	0.54
Service Charges	-	3.52
Sub-Total (ii)	**168.33**	**148.91**
Total (i+ii)	**4,217.37**	**3,393.62**

* excludes fair value of self consumed sugar cane of ₹2.31 Crore (Previous Year ₹1.74 Crore)

Disaggregation Of Revenue

Disaggregated revenue information have been given along with segment information [Refer Note No. 47].

Note 28 - Other income

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest Income		
- from financial assets carried at amortized cost	0.16	0.28
- from banks and others	0.43	0.48
Deferred Government grant (refer note no. 40)	0.38	0.38
Dividend income	0.04	0.03
Liabilities/ Provisions no longer required written back	1.31	0.94
Other non-operating income		
Income from rent	1.29	1.19
Profit on sales of fixed assets	1.48	0.02
Income from REC (net of expenses)	-	12.79
Income from consultancy services	0.10	0.12
Impairment of investment written back/provision for advances to subsidiary company	2.00	1.70
Miscellaneous Income	0.56	0.25
Foreign exchange fluctuation difference	8.39	12.11
Total	**16.14**	**30.29**

Notes forming part of the Standalone Financial Statement

Note 29 - Cost of materials consumed

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Cost of material consumed		
- Sugar cane *	2,698.42	2,313.77
- Molasses	13.84	66.76
- Bagasse and other fuel	8.50	29.50
- Chemicals and others	126.48	87.16
Total	**2,847.24**	**2,497.19**

* excludes fair value of self consumed sugar cane of ₹2.31 Crore (Previous Year ₹1.74 Crore)

Note 30 - Excise Duty on sale of goods

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Excise duty on sale of goods	74.90	40.75
Total	**74.90**	**40.75**

Note 31 - Purchase of goods for resale

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Purchase of goods for resale		
Others	34.33	60.89
Total	**34.33**	**60.89**

Note 32 - Changes in inventories of finished goods, work in progress and stock in trade

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Closing Stock: :		
Finished stock	1,197.21	1,534.50
Work-in-progress	25.03	20.43
Stock-in-trade	0.55	0.32
Total (a)	**1,222.79**	**1,555.25**
Opening Stock :		
Finished stock	1,534.50	1,552.36
Work-in-progress	20.43	31.02
Stock-in-trade	0.32	0.47
Total (b)	**1,555.25**	**1,583.85**
Net(Increase)/Decrease in stock (b-a)	**332.46**	**28.60**

Notes forming part of the Standalone Financial Statement

Note 33 - Employees benefits expense

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries and wages	126.65	121.48
Contribution to Provident & other funds	10.08	9.28
Gratuity	4.68	4.22
Voluantary retirement compensation	0.46	0.58
Workmen & staff welfare expenses	0.91	0.80
Total	142.78	136.36

* includes Directors and KMP Remuneations of ₹17.59 (Previous Year ₹16.77)

Note 34 - Finance costs

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest expenses on financial liabilities measured at amortize cost	83.23	114.90
Other borrowing cost	4.53	4.88
	87.76	119.78
Less : Interest capitalized during the period	-	0.12
Less : Interest subsidy claimed on Buffer Stock	8.09	19.59
Total	79.67	100.07

Note 35 - Depreciation and amortisation expenses

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation of property, plant and equipment (refer note no. 4)	74.76	71.02
Depreciation of right to use assets (refer note no. 5)	1.94	3.98
Amortisation of intangible assets (refer note no. 7)	0.40	0.39
Total	77.10	75.39

Note 36 - Other expense

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Consumption of stores, spares & other manufacturing expenses	56.28	51.38
Power and fuel	4.63	8.83
Packing material expenses	37.79	31.95
Selling Expenses :		
- Commission to selling agents	8.45	6.30
- Other selling expenses	85.05	54.35
Less : Buffer stock subsidy claim agst. Insurance & handling	-1.44	-3.39
Repair & Maintenance :		
- Plant & machinery	45.39	35.58
- Building	4.33	3.27
- Others	4.99	3.42
Short term leases (Refer Note 2(xiii)(e))	3.13	4.05
Rates and taxes	2.64	1.39
Charity and donations	1.00	0.29
Insurance	5.31	2.79
Transfer to storage fund for molasses	0.53	0.38
Consultancy/Retainship/Professional Fees	9.17	17.67
Payment to auditors (refer note 36.1)	0.37	0.39
CSR Expenses (refer note 45)	8.32	3.52
Cane development expenses	5.36	4.95
Expenditure on crop	1.69	1.59
Balance written-off	5.01	9.52
Provision for doubtful debts	1.39	-
Director sitting fees	0.12	0.11
Loss on sale of fixed/discarded assets	5.17	0.03
Loss on material held for disposal (refer note 17)	1.64	-
Miscellaneous expenses	27.68	26.04
Total	**324.00**	**264.41**

Note 36.1

(₹ in Crore)

Payment to Auditors	For the Year ended March 31, 2021	For the Year ended March 31, 2020
- Audit fees	0.31	0.32
- Tax audit fees	0.05	0.05
- Other services	-	-
- Reimbursement of expenses	0.01	0.02
Total	0.37	0.39

Notes forming part of the Standalone Financial Statement

Note 37 - Exceptional Item

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Ehaat Limited		
Written off loan given	0.50	11.07
Trade receivable balance written off	-	1.25
Write off of investment	-	3.77
Dhampur International Pte Limited		
Impairment of investment	15.50	-
DETS Limited		
Impairment of investment	-	1.17
Total	**16.00**	**17.26**

Note 38 - Tax expense

(a) Income Tax Expenses

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Current Tax	56.41	31.61
Tax adjustments related to earlier year	-	-
Deferred Tax	29.76	(39.99)
Total income tax expenses	**86.17**	**(8.38)**

(b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Profit for the year (before income tax expense)	305.03	202.99
Applicable tax rate	34.944%	34.944%
Computed tax expenses	**106.59**	**70.93**
Adjustments :		
Income exempt from tax purposes	(1.03)	(0.24)
Expenses not allowed for tax purposes	12.78	9.81
Additional allowances for tax purposes	-	-
Deferred tax on non-depreciable assets and investment (Net)	(3.44)	(2.19)
Deduction u/s 80IA of Income Tax Act in respect of power undertaking	(32.38)	(24.98)
Tax adjustment for previous year	3.26	(4.08)
Deferred tax on change in income tax rate	-	(55.90)
Others	0.39	(1.73)
At the effective income tax rate of 28.25 % (P.Y 23.41% except Deferred Tax on income tax rate change)	**86.17**	**(8.38)**

Note 38 - Tax expense (contd)

Note 38 (c)

Pursuant to Taxation Law (Amendment) Ordinance, 2019 (Ordinance), the domestic companies have option to pay corporate income tax @ 22% plus applicable surcharge and cess (New Tax Rate) subject to certain conditions w.e.f. financial year commencing from April 1, 2019 and thereafter. In the year ended March 31, 2020, the Company has made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilization of accumulated minimum alternative tax (MAT) credits. During the previous year, in accordance with accounting standard, the Company has also evaluated the outstanding deferred tax liabilities, and written back an amount to the extent of ₹55.90 Crore to the Statement of Profit and Loss. This was arising from re-measurement of deferred tax liabilities that are expected to reverse in future when the Company would migrate to the new tax regime.

Note 39 - Earnings per Share (EPS) :

Particulars	Details	As at March 31, 2021	As at March 31, 2020
i) Net Profit/ Loss(-) available to Equity Shareholders	₹ in Crore	218.86	211.37
(Used as numerator for calculating EPS)			
ii) Weighted average No.of Equity Shares outstanding during the period:			
(Used as denominator for calculating EPS)			
- for Basic EPS	No.	66387590	66387590
- for Diluted EPS	No.	66387590	66387590
iii) Earning per Share			
- Basic	₹	32.97	31.84
- Diluted	₹	32.97	31.84

(Equity Share of Face value of ₹10 each)

Note 40 - Contingent Liabilities and Commitments : Not Provided For In Respect of :

I Contingent Liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
i) Demands being disputed by the Company :		
a) Excise duty and Service Tax demands	14.91	17.00
b) Trade Tax and Entry Tax demands	7.98	9.17
c) Other demands	20.82	23.66
d) Estimated amount of interest on above	49.42	61.14
ii) Claims against the company not acknowledged as debts :		
a) Statutory liability being disputed by authorities	1.24	1.13
b) Income Tax demand on processing of TDS Returns*	-	0.01
c) Other Liabilities	0.12	0.80
d) In respect of some pending cases of employees and others	Amount not ascertainable	Amount not ascertainable

II Capital Commitments

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	68.12	9.18

Notes forming part of the Standalone Financial Statement

Note 40 - Contingent Liabilities and Commitments : Not Provided For In Respect of :(contd)

III. Other Legal Matters

i) Honorable Allahabad High Court in the case of PIL Rashtriya Kisan Mazdoor Sangathan VS State of U.P. passed a final order on March 09, 2017 directing the Cane Commissioner to decide afresh the issue as to whether the Sugar Mills are entitled for waiver of interest on the delayed payment of the price of sugarcane for the seasons 2012-13, 2013-14 and 2014-15 under the provisions of Section 17(3) of the U.P. Sugarcane (Regulations of Supply and Purchase) Act, 1953 (in short 'the Act').The matter is yet to be finalised and pending before Supreme Court in SLP filed by the RKMS.

ii) Cane societies are in dispute with the State Government of Uttar Pradesh with regard to retrospective partial waiver of society commission payable by the sugar mills for the crushing seasons 2012-13,2014-15 and 2015-16. Company was the beneficiary of such waiver.The matter is yet to be finalised and pending before Supreme Court in SLP filed by the Association.

Note 41 - Government Grant

The Company is eligible to receive various grants/ financial assisstance as per the schemes announced by Central and UP State Government for Sugar Industry.The Company has recognised these Government grants in the following manners:

(₹ in Crore)

S.No.	Particulars	Treatment in Accounts	For the Year ended March 31, 2021	For the Year ended March 31, 2020
1	Revenue related Government grants:			
i (a)	MAEQ Subsidy 2019-20 from Centeral Government (Refer footnote a)	Shown as separate line items " Government grant" under other operating income	95.66	128.39
i (b)	MAEQ Subsidy 2020-21 from Centeral Government (Refer footnote a)	Shown as separate line items " Government grant" under other operating income	63.23	-
ii (a)	Buffer subsidy claim (Refer footnote b)	Interest subisdy claim deducted from "finance cost"	8.09	19.59
ii (b)	Buffer subsidy claim (Refer footnote b)	Claim agst. insurance & handling Shown as separate line item in "Other expenses"	1.44	3.39
iii	Interest subvention claim under Soft Loan (Refer note c)	Deducted from finance cost	0.16	19.04
iv	Interest subvention claim under Distillery Expansion Loan (Refer note d)	Deducted from finance cost	1.27	2.08
v	Production subsidy from Government (Refer note e)	Deducted from cost of raw material consumed	-	16.24
vi	Transport subsidy from Government (Refer note f)	Deducted from other selling expenses under other expenses schedule	-	4.41
2	Deferred Government grants:			
i	Deferred income relating to term loans on concessional rate from Sugar Development Fund	Deducted from finance cost	1.72	1.63
ii	Deferred income relating to term loans on concessional rate (Refer note g)	Deducted from finance cost	7.12	8.17
iii	Deferred income relating grant on property, plant and equipment	Shown as separate line item " Deferred Government grant" under Other income	0.38	0.38

Note 41 - Government Grant (contd)

Sub Notes :

a) The Central Government notifed a scheme for providing assistance to sugar mills on export of sugar covering expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar with a view to facilitate export of sugar thereby improving the liquidity position of sugar mills enabling them to clear cane price dues of farmers. Pursuant to scheme, Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) allocated factory wise Maximum Admissible Export Quantity (MAEQ) for export of sugar for the sugar seasons.

For Sugar Season 19-20

Pursuant to notification 1(14/2019-S.P.-I dated September 12, 2019, assistance @ ₹10,448 per MT on export of sugar was given, limited to MAEQ (Maximum Admissible Export Quantity), as determined by the Central Government for such mills, for the sugar season 2019-20, either themselves or through a merchant exporter. Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and submitted the claim for assistance by ₹224.04 Crore and the same has been received in full till March, 2021.

For Sugar Season 20-21

Pursuant to notification 1(6/2020-S.P.-I dated December 29, 2020, assistance @ ₹6,000 per MT on export of sugar limited to MAEQ (Maximum Admissible Export Quantity) determined by the Central Government for such mills for the sugar season 2020-21 either themselves or through a merchant exporter. Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and the management is also confident that all the conditions set out in the Scheme shall be fully complied with at the time of submission of the claim. Accordingly, amounting to ₹63.23 Crore, assistance accrued under the Scheme till March 31, 2021 has been recognised during the year."

b) The Central Government, vide its Notification No. 1(6)/2018-SP-I dated June 15, 2018, notified a Scheme for creation and Maintenenace of Buffer Stock of 30 Lakh MT of sugar by the Sugar Mills in the country for one year w.e.f July 1, 2018. The Company is eligible for the reimbursement of the costs incurred for Interest (maximum 12%), insurance and storage charges (@ 1.5%) of Buffer stock to be valued at ₹29 per Kg. on quarterly basis till June 30, 2019

Further the Central Government, vide its Notification No. 1(8)/2019-SP-I dated July 31, 2019, notified a Scheme for creation and Maintenenace of Buffer Stock of 40 Lakh MT. of sugar by the Sugar Mills in the country for one year w.e.f August 1, 2019. The Company is eligible for the reimbursement of the costs incurred for Interest (maximum 12%), insurance and storage charges (@ 1.5%) of Buffer stock to be valued at ₹31 per Kg. on quarterly basis till July 31, 2020.

The comapny has created buffer stock in accordance with the scheme and recognised the eligibe subsidy during the year.

c) The Central Government, vide its Notification No. 1(4)/2019-SP-I dated March 02, 2019, notified a Scheme for extending soft loan to sugar mills to facilitate payment of cane price arrears of the farmers for the sugar season 2018-19 relating to the Fair and Remunerative Price (FRP) of sugarcane fixed by Cental Government. Every sugar mill which fullfills the condition stipulated in the scheme will be eligible for the interest subvention @ 7% simple interest or actual rate of interest charge by the bank,whichever is less for maximum of 1 year from the date of disbursement of the soft loan. Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and submitted the claim for interest subvention. Accordingly interest subvention accured under the Scheme till March 31, 2021 by ₹19.20 Crore and out of which ₹9.41 Crore has been received till such date.

d) "The Central Government, vide its Notification No. 1(10)/2018-SP-I dated July 19, 2018, notified a Scheme with a view to increase production of eathnol by enchancing the number of working days of existing distillery in a year by installation new Incineration boilers or by adoption any other matter approved by Central Pollution Control Board (CPCB) for Zero Liquid Discharge (ZLD) in a distillery. Every Sugar Mill which fullfills the conditions stipulated in the scheme will be eligible for the interest subvention @ 6% per annum or 50% of the rate of interest charged by bank, whichever is lower, on the loans to be extended by banks, shall be borne by Cental Government for five years.

Notes forming part of the Standalone Financial Statement

Note 41 - Government Grant (contd)

Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and submitted the claim for interest subvention. Accordingly interest subvention accured under the Scheme till March 31, 2021 by ₹3.35 Crore and out of which 2.52 Crore has been received till March, 2021.

e) The Central Government vide its Notification No. 1(14)/2018-SP-I dated October 05, 2018 announced Scheme for Assistance to Sugar mills for Sugar season 2018-19, (Scheme) with a view to offset the Cane cost and facilitate timely payment of Cane price dues. Every sugar mill which fulfills the conditions stipulated in Scheme will be eligible for assistance at the rate of ₹13.88 per qtl. of cane crushed during sugar season 2018-19 or the proportionate inter-se allocation of estimated 3000 Lakh MT. of cane to be crushed (for sugar season 2018-19) on the basis of the average sugar production of last three sugar seasons i.e. 2015-16, 2016-17, & 2017-18, whichever is lower.

For the eligiblility under the Scheme, the Sugar mills have to supply atleast 80% of indented quantity of Ethanol to OMC; have to file updated online return in Proforma II as prescribed under DFPD under the provisions of Sugar Control Order 1966 and have to fully comply with all the orders/directives of DFPD during sugar season 2018-19 till the date of submission of the claim.

During the FY 2019-20, the Company has complied with all the conditions as stated in the scheme and submitted the claim for assistance. Accordingly subsidy accured under the Scheme during FY 2019-20 by ₹16.24 Crore and the same has been received in full.

f) The Central Government vide its Notification No. 1(4)/2018-SP-I dated September 28, 2018 announced Minimum Indicative Export Quota (MIEQ) under Tradeable Export Scrip Scheme and allocated quota of 123899 MT of raw/white sugar or 16.7 kg of sugar per MT of actual cane crushed during 2018-19 sugar season, whichever is lower for export to sugar mills of the company. Further, the Central Government vide its Notification No. 1(14)/2018-S.P.-I dated October 5, 2018 announced the Scheme for Defraying Expenditure towards internal transport, freight, handling, and other charges on export @ ₹3000 per MT. of sugar exported for Mills located in other than coastal states or actual expenditure, whichever is lower. The conditions stipulated under this scheme are the same as stipulated in the Scheme for Assistance to Sugar Mills as stated hereinabove and the company has submitted the claim. Accordingly subsidy accured under the Scheme during the FY 2019-20 has been recognised by ₹4.41 Crore and the same has been received in full.

g) The State Government, with a view to improve the liquidity position of private sector sugar mills of the State enabling them to clear the cane price arrears of crushing seasons 2016-17 and 2017-18 and timely settlement of cane price as per State Advised Price (SAP) fixed by the State Government, to the sugarcane farmers, has notified the scheme, namely "Scheme for Extending Financial Assistance to Sugar Undertakings-2018" vide notification No.: 15 /2018/1719/46-3-18-3 (36-A) / 2018 dated October 16, 2018. The Company had availed the term loan in the F.Y 2018-19 under the Scheme, wherein, the government grant has has been received in form of Subsidised rate of interest.

h) The Company was eligible for various incentives under U.P. Sugar Incentive Promotion Policy, 2004 (the scheme) which was subsequently withdrawn by the State Government. Petition filed by the Company, The Hon'ble Allahabad High Court vide order dated February 12, 2019 has set aside and queshed the policy withdrawl order and directed the State government to give the benefits under the scheme after examination of incentive claims filed by the respective units. The Company is in the process of filing its claim under the "Scheme".

Note 42: Details of Loans given, inter corporate deposit, Investments made and Guarantee given covered U/s 186(4) of the Companies Act, 2013

Details of loans and advances given; investment made; guarantee given and security provided as required to be disclosed as per provision of section 186(4) of Companies Act, 2013 have been disclosed under the respective notes.

Note 43 - Disclosures as required by the Listing Agreement :

Loans and Advances given to Subsidiary : (Also refer note no. 46)

(₹ in Crore)

Name of the Company	Amount Outstanding as at the year end		Maximum Principal Amount	
	As at March 31, 2021	As at March 31, 2020	For Year ended March 31, 2021	For Year ended March 31, 2020
E-Haat Limited $	0.60	-	1.10	12.32
DETS Limited $	1.70	1.70	1.74	1.77

Note 44

In the opinion of the Board, current assets and loans and advances have realisable value in the ordinary course of business at least equal to the value at which they are stated in the balance sheet. The Board is also of opinion that the diminution in the value of investments in Dhampur International Pte Ltd. (wholly owned subsidiary) is on account of losses, which is temporary in nature.

Note 45 - Corporate Social Responsibility (CSR)

i. Details of Corporate Social Responsibility (CSR) expenditure

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
a) As per section 135 of the Companies Act, 2013 read with Schedule VII thereof Gross amount required to be spent by the company	8.32	5.69
b) Amount spent during the year :		
-- Construction/acquisition of any assets		
- in cash	1.04	1.80
- yet to be paid in cash	4.90	-
-- On purpose other than (i) above		
- in cash	2.38	1.72
- yet to be paid in cash	-	-

ii. Details of Unspent balance

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Opening balance of Unspent amount	3.42	1.25
Closing balance of Unspent amount	4.90	3.42

iii. The Various heads which the CSR expenditure were incurred in cash is detailed as follows :-

(₹ in Crore)

Particulars	Relevant clause of Schedule VII to the Companies Act, 2013	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(i) Eradicating Hunger and Poverty, Health Care and Sanitation	Clause (i)	0.90	0.85
(ii) Education and Skill Development	Clause (ii)	7.23	2.49
(iii) Empowerment of Women and other Economically Backward Sections	Clause (iii)	0.19	0.17
(iv) Art & Culture	Clause (v)	-	-
(v) Sports	Clause (vii)	-	0.01
(vi) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government	Clause (ix)	-	-

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures:

A. List of Related Parties with whom transactions have taken place and relationships:

I) Enterprises where control exists:	
Subsidiaries -	1 Dhampur International Pte Limited
	2 E-HAAT Limited
	3 DETS Limited
	4 Dhampur Bio Organics Limited (Formerly known as RMSD Enterprises Private Limited)(w.e.f March 31, 2021)
II) Key Management Personnel (KMP)	1 Mr.Vijay Kumar Goel, Chairman
	2 Mr. Ashok Kumar Goel, Vice Chairman
	3 Mr. Gaurav Goel, Managing Director
	4 Mr. Gautam Goel, Managing Director
	5 Mr. Sandeep Sharma, Chief Operating Officer & Director
	6 Mr. Nalin Gupta, Joint Chief Financial Officer
	7 Mr. Susheel Mehrotra, Chief Financial Officer (w.e.f. February 02,2021)
	8 Mrs Aparna Goel, Company Secretary
	9 Mr. Priya Brat, Independent Director
	10 Mr. M. P. Mehrotra, Independent Director
	11 Mr. Harish Saluja, Independent Director (ceased w.e.f. September 02, 2020)
	12 Mr. Ashwani Kumar Gupta, Independent Director
	13 Ms Nandita Chaturvedi, Independent Director
	14 Mr. Rahul Bedi, Independent Director (ceased w.e.f. September 02, 2020)
	15 Mr. Satpal Arora, Independent Director (w.e.f. July 30, 2020)
	16 Mr. Yashwardhan Poddar, Independent Director (w.e.f. July 30, 2020)
III) Relatives of Key Management Personnel (with whom transactions entered into)	Mrs Deepa Goel (Relative of Mr.Vijay Kumar Goel)
	Mrs Vinita Goel (Relative of Mr. Ashok Kumar Goel)
	Mrs Priyanjali Goel, Ms. Ishira Goel (Relatives of Mr. Gaurav Goel)
	Mrs Bindu Vashist Goel (Relative of Mr. Gautam Goel)
	Mrs Poonam Sharma, Mr. Rahul Sharma, Ms. Sona Sharma (Relative of Mr. Sandeep Sharma)
	Mrs Rakhi Gupta, Mr. Sidharth Gupta, Mr. Sanjay Gupta (Relative of Mr. Nalin Gupta)
	Mrs Namita Gupta (Relative of Mr. Ashwani Kumar Gupta)
	Master Advay Goel (Relative of Mrs Aparna Goel)
	Mrs Shakuntala Brat & Ms. Anu Mahendru (Relative of Mr. Priya Brat)
	Mr Mayank Goel (Relative of Mrs Aparna Goel)
	Mrs Shubra Agarwal (Relative of Mr.Vijay Kumar Goel)
IV) Enterprises which have significant influence and also owned or significantly influenced by Key Management Personnel	1 Goel investments Limited
	2 Ujjwal Rural Services Limited
	3 Saraswati Properties Limited
	4 Gaurav Goel, H.U.F
	5 Gautam Goel, H.U.F
	6 Nalin Kumar Gupta (HUF)
	7 Sandeep Sharma (HUF)
	8 Dhampur Sugar Mill Provident Fund
	9 Pushp Niketan School Samiti
	10 Academy of Modern Learning Turst
	11 Shudh Edible Products Limited
	12 Sonitron Limited
	13 M/s Venus India Asset-Finance Pvt. Ltd.

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures: (contd)

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on March 31, 2021

(₹ In Crore)

S.No.	Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Transactions during year ended 31.03.2021		
1	**Loans/advances given**	**1.10**	**11.07**
	E-HAAT Limited	1.10	11.07
2	**Loans taken**	**35.00**	**-**
	Goel Investment Limited	15.00	-
	Venus India Asset-Finance Pvt. Ltd.	20.00	-
3	**Unsecured Deposits Taken (Fixed Deposit)**	**5.26**	**5.25**
	Mr. Ashok Kumar Goel	-	1.43
	Mr Ashwani Kumar Gupta	1.00	-
	Mr. Sandeep Sharma	0.07	-
	Relative of KMP	4.19	3.82
4	**Unsecured Deposits Matured (Fixed Deposit)**	**2.49**	**4.38**
	Mr. Ashok Kumar Goel	-	1.09
	Sandeep Sharma (HUF)	-	0.05
	Mr. Priya Brat	-	0.24
	V.K. Goel (HUF)	-	0.15
	A.K. Goel (HUF)	-	0.17
	Gaurav Goel (HUF)	-	0.17
	Gautam Goel (HUF)	0.17	-
	Relative of KMP	2.32	2.51
5	**Sale of Goods**	**33.83**	**8.48**
	Dhampur International Pte Limited	33.83	8.48
6	**Purchase of Goods**	**38.56**	**13.08**
	Dhampur International Pte Limited	38.56	13.08
7	**Rent paid**	**5.04**	**4.50**
	Goel Investment Limited	0.12	0.12
	Saraswati Properties Limited	2.52	1.96
	Shudh Edible Products Limited	2.40	2.40
	Ujjwal Rural Services Limited	-	0.02
8	**Remuneration (including Commission)**	**17.59**	**16.77**
	Mr. Vijay Kumar Goel	4.00	3.88
	Mr. Ashok Kumar Goel	4.00	3.88
	Mr. Gaurav Goel	4.00	3.88
	Mr. Gautam Goel	4.00	3.88
	Mr. Sandeep Sharma	0.82	0.74
	Mr. Nalin Gupta	0.28	0.24
	Mr. Susheel Mehrotra	0.19	-
	Mrs Aparna Goel	0.16	0.13
	Relative of KMP	0.14	0.14
9	**Sitting fees to Directors**	**0.12**	**0.11**
10	**Commission to Independent Directors**	**0.18**	**0.30**
	Mr.M.P. Mehrotra	0.03	0.05

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures: (contd)

(₹ In Crore)

S.No.	Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
	Ms.Nandita Chaturvedi	0.03	0.05
	Mr.Ashwani Kumar Gupta	0.03	0.05
	Mr.Harish Saluja	0.03	0.05
	Mr.Priya Brat	0.03	0.05
	Mr.Rahul Bedi	0.03	0.05
11	**Directors Perquisites**	**0.85**	**0.78**
	Mr. Vijay Kumar Goel	0.32	0.20
	Mr. Ashok Kumar Goel	0.20	0.18
	Mr. Gaurav Goel	0.20	0.18
	Mr. Gautam Goel	0.00	0.13
	Mr. Sandeep Sharma	0.13	0.09
12	**Interest expense**	**0.94**	**1.00**
	Mr. Ashok Kumar Goel	0.14	0.14
	Mr. Priya Brat	-	0.02
	V.K. Goel (HUF)	-	0.02
	A.K. Goel (HUF)	-	0.02
	Gaurav Goel (HUF)	-	0.02
	Gautam Goel (HUF)	-	0.02
	Sandeep Sharma (HUF)	-	0.01
	Mr Ashwani Kumar Gupta	0.07	
	Mr. Sandeep Sharma	##	
	Goel Investment Ltd.	##	-
	Venus India Asset-Finance Pvt. Ltd.	0.01	-
	Relative of KMP	0.72	0.75
13	**Consultancy Income**	**-**	**0.08**
	DETS Limited	-	0.08
14	**Expenses against rembursement (Net)**	**0.10**	**0.31**
	Pushp Niketan School Samiti	0.10	0.31
15	**Contribution to Defined Contributions Plan**	**6.38**	**6.02**
	Dhampur Sugar Mill Provident Fund	6.38	6.02
16	**Corporate Social Responsibilities**	**2.29**	**2.49**
	Academy of Modern Learing Trust	2.15	1.24
	Pushp Niketan School Samiti	0.14	1.25
17	**Balance written off/(Written back)**	**0.50**	**10.62**
	E-HAAT Limited	0.50	12.32
	DETS Limited	-	(1.70)
18	**Investment in subsidiary**	**0.01**	**-**
	Dhampur Bio Organics Limited (Formerly known as RMSD Enterprises Private Limited)	0.01	-
19	**Security Deposits Given**	**-**	**0.15**
	Saraswati Properties Limited	-	0.15
20	**Land Purchase**	**1.75**	**-**
	Goel Investment Limited	1.75	-

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures: (contd)

(₹ In Crore)

S.No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	**Deposits from Related Parties**	**10.51**	**7.74**
	Mr. Ashok Kumar Goel	1.43	1.44
	Mr Ashwani Kumar Gupta	1.00	
	Mr. Sandeep Sharma	0.07	
	Gautam Goel (HUF)	-	0.17
	Relative of KMP	8.01	6.13
2	**Unsecured Loans and Advances to related parties**	**2.30**	**1.70**
	E-HAAT Limited	0.60	-
	DETS Limited	1.70	1.70
3	**Investments**	**42.12**	**42.11**
	Dhampur International Pte Limited	36.93	36.93
	E-HAAT Limited	3.77	3.77
	DETS Limited	1.41	1.41
	R M S D Private Limited	0.01	-
4	**Receivables**	**12.34**	**2.08**
	Dhampur International Pte Limited	12.13	2.08
5	**Payables**	**4.09**	**0.76**
	Goel Investment Limited	0.14	0.02
	Saraswati Properties Limited	0.81	0.04
	Shudh Edible Products Limited	1.82	0.36
	Ujjwal Rural Services Limited	0.02	0.03
	Mr. Ashok Kumar Goel	0.66	0.05
	Mr. Gaurav Goel	0.22	0.16
	Mr. Gautam Goel	0.31	0.09
	Mr. Vijay Kumar Goel	0.11	0.01
6	**Security Deposits Receivables**	**2.06**	**1.86**
	Goel Investment Limited	0.50	0.50
	Saraswati Properties Limited	1.05	1.05
	Shudh Edible Products Limited	1.20	1.20
	Ujjwal Rural Services Limited	0.05	0.05
	IndAS Impact	(0.74)	(0.94)
7	**Expenses Recoverable (Net)**	**0.67**	**0.57**
	Pushp Niketan School Samiti	0.67	0.57

*Key Managerial person

(₹ in Crore)

Particulars	2020-21	2019-20
Short term benefits	17.59	16.77
Defined Contribution Plan	0.02	0.02
Defined Benefit Plan	0.69	0.72
Total	**18.30**	**17.51**

Short term benefits Including bonus, sitting fee, commission on accrual basis and value of perquisites.

Reperesent amount below ₹50000/-

* As the liability for gratuity is provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

Notes forming part of the Standalone Financial Statement

Note 46 - Related Party Disclosures: (contd)

C. Terms and Conditions and Settlement

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances at the year end are un-secured and settlement occurs in cash.

Note 47 - Disclosures As Required By Indian Accounting Standard (Ind As) 108 Operating Segments

Identification of Segments

"The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Board of Director's (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'). The chief operational decision maker monitors the operating results of its Business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.Operating Segments have been identified by the management and reported taking into account, the nature of products and services, the differing risks and returns, the organization structure, and the internal financial reporting systems."

Operating Segments

The Company is organized into four main business segments, namely:

- Sugar which consists of manufacture and sale of Sugar and its byproducts and,
- Chemicals/Distillery which consists of manufacture and sale of RS, SDS, ENA, Ethanol, Ethyl Acetate, IMFL, sanitizer etc.
- Power which consists of co-generation and sale of power
- Others which consists of sale of petrol and agricultural products

No operating segments have been aggregated in arriving at the aforesaid reportable segments of the Company

Geographical segments

Since the Company's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

Segment Accounting Policies: In addition to the significant accounting policies applicable to the operating segments as set out in note 2, the accounting policies in relation to segment accounting are as under:

a) Segment revenue and results:

Revenue and expenses directly attributable to segments are reported under each reportable segment. Other expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenses (net of unallocated income).

b) Segment assets and liabilities:

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Unallocated assets include deferred tax, investments, interest bearing deposits loans to subsidiary and income tax refund. Unallocated liabilities include interest bearing liabilities, tax provisions and deferred tax. Capital expenditure pertains to additions made to fixed assets during the year and includes capital work in progress.

c) Inter segment sales/transfer:

Transactions between segments are primarily for materials which are transferred at cost /market determined prices. These transactions are eliminated in consolidation.

Note 47 - Disclosures As Required By Indian Accounting Standard (Ind As) 108 Operating Segments: (contd)

A. Summary of Segmental Information

(₹ in Crore)

Particulars	Sugar	Chemicals	Power	Others	Total
1. Segment Revenue (including Excise Duty)					
a) External Sales	3,245.54	843.12	108.71	20.00	4,217.37
Previous Year (March 31,2020)*	2,635.94	630.99	105.98	20.71	3,393.62
b) Inter Segment Sales	477.95	1.43	262.80	2.31	744.49
Previous Year (March 31,2020)*	352.85	1.09	257.72	1.74	613.40
c) Total Revenue	3,723.49	844.54	371.51	22.32	4,961.86
Previous Year (March 31,2020)*	2,988.79	632.07	363.70	22.46	4,007.02
2. Segment Results					
(Profit(+)/Loss(-) before Tax and Interest from each segment)	120.62	199.82	122.21	1.54	444.19
Previous Year (March 31,2020)*	126.68	130.16	115.75	1.23	373.82
Less : Finance costs					79.67
Previous Year (March 31,2020)*					100.07
Less/ Add :Other Unallocable Expense/Income					
net off Unallocable Income/Expenses					59.49
Previous Year (March 31,2020)*					70.76
Net Profit(+)/loss(-) before Tax					305.03
Previous Year (March 31,2020)*					202.99
Less: Tax expense (Net)					86.17
Previous Year (March 31,2020)*					(8.38)
Net Profit(+)/Loss(-) after Tax					218.86
Previous Year (March 31,2020)*					211.37
3. Other Information					
a) Segment Assets	2,352.02	441.50	626.92	3.47	3,423.91
Previous Year (March 31,2020)*	2,718.80	371.12	671.70	3.83	3,765.45
Unallocable Assets					46.62
Previous Year (March 31,2020)*					77.42
Total Assets					3,470.50
Previous Year (March 31,2020)*					3,842.87
b) Segment Liabilities	633.77	38.47	9.43	0.07	681.74
Previous Year (March 31,2020)*	635.10	28.32	10.26	0.07	673.75
Unallocable Liabilities					1,225.90
Previous Year (March 31,2020)*					1,794.04
Total Liabilities					1,907.64
Previous Year (March 31,2020)*					2,467.79
c) Capital Expenditure	41.67	20.65	11.65	0.02	73.99
Previous Year (March 31,2020)*	37.61	30.93	0.51	-	69.05
d) Depreciation	39.01	20.14	17.90	0.05	77.10
Previous Year	38.87	18.05	18.39	0.08	75.39
e) Non Cash Expenditure other than Depreciation	1.71	5.83	4.88	-	12.42
Previous Year (March 31,2020)	0.45	8.54	-	-	8.99

* ended as at March 31, 2020.

Notes forming part of the Standalone Financial Statement

Note 47 - Disclosures As Required By Indian Accounting Standard (Ind As) 108 Operating Segments: (contd)

B. Geographical information : Segment Revenue & Non Current Assets by location

(₹ in Crore)

Particulars	Period	India	Outside India	Total
External Revenue	2020-21	3,748.67	468.70	4,217.37
	2019-20	3,182.81	210.81	3,393.62
Non Current Assets (other than financial assets)	31-Mar-21	1,657.95	-	1,657.95
	31-Mar-20	1,671.09	-	1,671.09

* Non-current assets exclude those relating to Investments and non-current financial assets.

C. Information about major customer

Number of customers individually accounted for more than 10% of the revenue in the year ended March 31,2021 - NIL (Previous year - NIL)

Note 48 - Employees benefits :

The required disclosures of employees benefits as per Indian Accounting Standard (Ind AS) -19 are given hereunder :-

(i) Defined contribution plan :

Details of contribution to defined contribution plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period are as under :

(₹ In Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund :	3.96	3.28
Employer's Contribution to Pension Fund :	3.64	3.52

(ii) Defined benefit plan :

(a) In respect of non funded defined benefit scheme of gratuity (Based on actuarial valuation) :

The gratuity plan is governed by the payment of Gratuity Act,1972. Under the said Act an employee who has completed five years of services is entitled to specific benefit. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

The Company is exposed to various risks

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Salary escalation risk : The present value of the defined benefit plan is calculated with the assumption of salary increase 0.50% per annum of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Actual mortality & disability : deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Note 48 - Employees benefits : (contd)

The following tables summaries the components of net benefit expense recognised in the statement of Profit and Loss

a) Details of Non funded post retirement plans are as follows:

I. Expenses recognized in the statement of profit and loss:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	1.88	1.82
Past service cost	-	-
Net interest on the net defined benefit liability	2.41	2.40
Curtailment/settlement	-	-
Expense recognised in the statement of profit and loss	4.29	4.22

II. Other comprehensive income

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial gain / (loss) arising from:		
. Change in financial assumptions	-	(1.79)
. Change in experience adjustments	0.30	(0.44)
Components of defined benefit costs recognized in other comprehensive income	0.30	(2.23)

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit & loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

III. Change in present value of defined benefit obligation:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation at the beginning of the year	34.87	31.42
Interest expense/income	2.41	2.39
Past service cost	-	-
Current service cost	1.88	1.82
Benefits paid	(3.13)	(2.99)
Actuarial (gain)/ loss arising from:		
. Change in financial assumptions	-	1.79
. Change in experience adjustment	(0.30)	0.44
Present value of defined obligation at the end of the year	35.73	34.87

IV. Net liability recognized in the Balance Sheet as at the year end:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	35.73	34.87
Funded status (surplus / (Deficit))	(35.73)	(34.87)
Net liability recognized in balance sheet	35.73	34.87
Current liability (Short term)	2.93	2.49
Non- current liability (long term)	32.80	32.38

Notes forming part of the Standalone Financial Statement

Note 48 - Employees benefits : (contd)

V. Actuarial assumptions:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount rate (per annum)%	6.90%	6.90%
Expected rate of salary increase %	5.00%	5.00%
Retirement / superannuation Age (year)	60	60
Mortality rates	100% of IALM (2012-14)	100% of IALM (2012-14)

VI. Maturity profile of defined benefit obligation:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Expected cash flows (valued on undiscounted basis):		
With in 0 to 1 Year	2.93	2.49
With in 1 to 2 Year	2.82	3.62
With in 2 to 3 Year	2.89	2.57
With in 3 to 4 Year	2.89	2.81
With in 4 to 5 Year	2.59	2.56
With in 5 to 6 Year	2.39	2.21
6 Year onwards	19.22	18.61
Total expected payments	35.73	34.87
The average duration of the defined benefit plan obligation at the end of the balance sheet date(in years)	11.05	11.63

VII. Sensitivity analysis on present value of defined benefit obligations:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
a) Discount rates		
0.50% increases	(1.42)	(1.21)
0.50% decreases	0.59	1.29
b) Salary growth rate :		
0.50% increases	1.52	1.30
0.50% decreases	(1.46)	(1.24)

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitives are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

Note 48 - Employees benefits : (contd)

The history of experience adjustments for non-funded retirement plans are as follows :

(₹ in Crore)

Particulars	Gratuity (Non funded)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Present value of obligation as at the end of the year	35.73	34.87	31.41	30.04	27.49
Fair value of plan assets as at the end of the year	-	-	-	-	-
Net asset/(liability) recognized in the balance sheet	(35.73)	(34.87)	(31.41)	(30.04)	(27.49)
Net actuarial (gain)/loss recognized	0.30	(2.23)	0.01	0.64	3.57

b) **In respect of funded defined contribution scheme of provident fund (Based on actuarial valuation) :**

The Company's contribution to defined benefit plan to the irrecoverable trust, set up by the Company aggregating to ₹6.38 Crore (P. Y. ₹6.02 Crore) has been recognised in statement of profit and loss account. The Company is under obligation to mark-up any short fall in the fund.

The following table sets out the status of Provident Fund as per the actuarial valuation by the independent Actuary appointed by the Company:

A) **Change in the present value of the defined contribution obligation:**

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2021
Opening defined contribution obligation at beginning of the year	73.05	66.92
Current service cost	2.48	2.48
Adjustment in defined contribution obligation in opening balance	0.23	0.55
Interest cost	5.55	5.12
Employee contribution	4.59	4.75
Actuarial (Gain)/loss	(0.13)	0.14
Benefits paid	(16.18)	(6.91)
Closing defined contribution obligation at end of the year	**69.59**	**73.05**

B) **Change in plan assets:**

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2021
Opening fair value of plan assets as at beginning of the year	76.52	68.38
Adjustment in fair value of plan assets in opening balance	(0.73)	1.05
Expected return on plan assets	5.53	6.77
Contributions	7.08	7.23
Benefits paid	(16.18)	(6.91)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets as at end of the year	**72.22**	**76.52**

Notes forming part of the Standalone Financial Statement

Note 48 - Employees benefits : (contd)

C) Reconciliation of present value of the obligation and fair value of the plan assets:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Present value of funded obligation at end of the year	69.59	73.05
Fair value of plan assets at end of the year	72.22	76.52
Deficit/(surplus)	**(2.63)**	**(3.47)**
Net asset not recognised in balance sheet	**(2.63)**	**(3.47)**

D) Net cost recognized in the profit and loss account:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	2.48	2.48
Interest cost	5.55	5.12
Expected return on plan assets	5.53	6.77
Interest shortfall reversed	0.02	(1.65)
Total costs of defined benefit plans included in "Employees Benefit Expenses"	**2.48**	**2.48**

E) Principal actuarial assumptions:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Economic assumptions		
(a) Expected statutory interest rate	8.50%	8.50%
(b) Expected short fall in interest earnings on the fund	0.05%	0.05%
(ii) Demographic assumptions		
(a) Mortality	IALM (2012-14)	IALM (2006-08)
(b) Disability	None	None
(c)Withdrawal rate (Age related)		
Up to 30 years	3.00%	3.00%
Between 31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
(d) Normal retirement age (in years)	60	60

The history of experience adjustments for funded retirement plans are as follows :

(₹ in Crore)

Particulars	Provident fund (Funded)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Present value of obligation as at the end of the year	69.59	73.05	66.92	63.92	59.73
Fair value of plan assets as at the end of the year	72.22	76.52	68.38	64.84	61.09
Deficit/(Surplus)	(2.63)	(3.47)	(1.46)	(0.92)	(1.36)
Surplus not recognised in balance sheet	(2.63)	(3.47)	(1.46)	(0.92)	(1.36)

Note 49 - Financial instruments - Accounting, classification and fair value measurement

The criteria for recognition of financial instruments is explained in accounting policies for Company

Method and assumptions used to estimate fair values:

1. Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term nature of these instruments.
2. Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (non-current) consists of interest accrued but not due on deposits, Loans (non-current) consists of deposits given where the fair value is considered based on the discounted cash flow.
3. The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies and interest rate curves.

(₹ In Crore)

Particulars	Level	Carrying Value as of		Fair Value as of	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial Assets					
Fair value through OCI					
Derivative Assets					
- Foreign Currency Forward Contract	Level 2	1.52	-	1.52	-
Investments in equity instruments	Level 1	2.41	0.92	2.41	0.92
Amortised cost					
Investments	Level 3	10.88	26.37	10.88	26.37
Trade receivables	Level 3	307.47	309.16	307.47	309.16
Loans	Level 3	5.20	4.50	5.20	4.50
Cash and Bank Balances	Level 3	66.87	9.20	66.87	9.20
Others Financial Assets	Level 3	3.31	1.84	3.31	1.84
Total Financial Assets		**397.66**	**351.99**	**397.66**	**351.99**
Financial Liabilities					
Fair value through OCI					
Derivative Liabilities					
- Foreign Currency Forward Contract	Level 2	-	11.98	-	11.98
Amortised cost					
Borrowings	Level 3	1,141.67	1,734.00	1,141.67	1,734.00
Trade payables	Level 3	593.85	565.00	593.85	565.00
Lease Liabilities	Level 3	16.11	17.62	16.11	17.62
Other Financial Liabilities	Level 3	44.43	49.87	44.43	49.87
Total Financial Liabilities		**1,796.06**	**2,378.47**	**1,796.06**	**2,378.47**

Fair Value Hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Notes forming part of the Standalone Financial Statement

Note 49 - Financial instruments - Accounting, classification and fair value measurement : (contd)

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

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Company has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations.

Note 50 - Financial Risk Management

The Company's activities are exposed to market risk, credit risk and liquidity risk. The Company principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company principal financial asset includes loan , trade and other receivables, and cash and other financial assets that arise directly from its operations.

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure, and inventories.

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Company's interest rate risk arises mainly from borrowings obligations with floating interest rates.

(₹ In Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed interest rate borrowing	109.74	55.51
Variable interest rate borrowing	1,031.93	1,678.49
Total	**1,141.67**	**1,734.00**
Loss due to increase in 0.5% Interest Rate on Variable interest Borrowing	(5.16)	(8.39)
Gain due to decrease in 0.5% Interest Rate on Variable interest Borrowing	5.16	8.39

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.a) The Company used foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management.The outstanding forward exchange contracts entered into by the company at the year end and thereafter disclosed.

Note 50 - Financial Risk Management (contd)

(₹ In Crore)

Foreign currency exposure	As at March 31, 2021	
	₹ equivalent to Foreign Currency	
	EURO	USD
Trade Receivables	0.39	11.74
Trade Payables		
Hedged Portion		
Net Exposure to foreign currency risk assets/(liabilities)	0.39	11.74

(₹ In Crore)

Foreign currency exposure	As at March 31, 2020	
	₹ equivalent to Foreign Currency	
	EURO	USD
Trade Receivables	0.38	72.34
Trade Payables	-	-
Hedged Portion	-	70.64
Net Exposure to foreign currency risk assets/(liabilities)	0.38	1.70

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have following impact of profit :-

(₹ In Crore)

Paticulars	Increase / Decrease	₹ equivalent to Foreign Currency		
		EURO	USD	Total
As at March 31, 2021				
Net Exposure to foreign currency risk gain/(loss)	5%	0.02	0.59	0.61
	-5%	(0.02)	0.59	(0.61)
As at March 31, 2020				
Net Exposure to foreign currency risk gain/(loss)	5%	0.02	0.08	0.10
	-5%	(0.02)	(0.08)	(0.10)

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Notes forming part of the Standalone Financial Statement

Note 50 - Financial Risk Management (contd)

Impact of Hedging Activities

(i) Disclosure of effects of Hedge Accounting on Financial Position

March 31, 2021 (₹ In Crore)

Type of Hedge Risks	Nominal Value of Hedged Instruments *		Carrying Amount of Hedging Instrument #		Hedge Maturity	Hedge Ratio	Changes in Fair Value of Hedging Instrument	Changes in Value of Hedged Item used as the basis for recognising hedge effectiveness
	Asset	Liabilities	Asset	Liabilities				
Cash Flow Hedge								
Foreign exchange risk								
(i) Foreign Exchange Forward Contracts	93.35		91.88		Oct-2020 to May-2021	1:1	(1.47)	1.47

March 31, 2020 (₹ In Crore)

Type of Hedge Risks	Nominal Value of Hedged Instruments *		Carrying Amount of Hedging Instrument #		Hedge Maturity	Hedge Ratio	Changes in Fair Value of Hedging Instrument	Changes in Value of Hedged Item used as the basis for recognising hedge effectiveness
	Asset	Liabilities	Asset	Liabilities				
Cash Flow Hedge								
Foreign exchange risk								
(i) Foreign Exchange Forward Contracts	263.07	-	278.35	-	Oct-2019 to May-2020	1:1	15.28	(15.28)

* Nominal value is the INR value of the instrument based on spot rate of the first hedge

Carrying value is the INR value of the instrument based on the spot rate of the reporting date

Note 50 - Financial Risk Management (contd)

(ii) Disclosure of effect of hedge accounting on financial performance

Movement in cash flow hedging reserve

(₹ In Crore)

Risk Category	Foreign Currency Risk Foreign Exchange Forward Contract	
Derivative Insrument	As at March 31, 2021	As at March 31, 2020
Cash Flow Hedge Reserve		
Opening Balance	(5.72)	(0.08)
Gain/(loss) recognised in other comprehensive income during the year	4.58	(8.79)
Amount reclassified to Profit and loss during the year	5.72	0.08
Tax impact of above	(3.60)	3.07
Closing Balance	**0.98**	**(5.72)**

(c) Regulatory risk

Sugar industry is regulated both by Central Government as well as State Government. Central and State Governments policies and regulations affects the Sugar industry and the Company's operations and profitability. Distillery business is also dependent on the Government policy.

(d) Commodity price risk

Sugar industry being cyclical in nature, realisations get adversly affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

II. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's sugar sales are mostly on cash. Power and ethanol are sold to state government entities, thereby the credit default risk is significantly mitigated.

The impairment for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on The Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery, however the Company continues to attempt to recover the receivables. Where recoveries are made, subsequently these are recognised in the statement of profit and loss. The Company major exposure of credit risk is from trade receivables, which are unsecured and derived from external customers.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

(₹ In Crore)

Ageing	Carrying Value	Less than 6 months	More than 6 months	Total
As at March 31, 2020				
Gross Carrying Amount	309.16	248.94	60.22	309.16
Expected Credit Loss	-	-	-	-
Carrying Amount (net of impairment)	309.16	248.94	60.22	309.16

Notes forming part of the Standalone Financial Statement

Note 50 - Financial Risk Management (contd)

(₹ In Crore)

Ageing	Carrying Value	Less than 6 months	More than 6 months	Total
As at March 31,2021				
Gross Carrying Amount	307.97	265.45	42.52	307.97
Expected Credit Loss	0.50	-	0.50	0.50
Carrying Amount (net of impairment)	307.47	265.45	42.02	307.47

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. In case of probability of non collection, default rate is 100%. However, there is no material expected credit loss based on the past experience

The changes in loss allowance for trade receivables is as under :-

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	-	6.00
Provided during the year	0.50	-
Reversed during the year	0.00	-6.00
Closing Balance	0.50	-

There is no change in the loss allowances measured using expected credit loss model (ECL). The credit risk on cash and bank balances is limited because the counterparties and bank with credit ratings assigned by international credit rating agencies

III. Liquidity Risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ In Crore)

As at March 31, 2021	Carrying Amount	Less than One Year	More than one year and less than five year	More than 5 Years	Total
Borrowings	1,141.67	821.63	318.63	1.41	1,141.67
Trade payables	593.85	593.85	-	-	593.85
Lease Liabilities	16.11	5.04	11.07	-	16.11
Other Liabilities	44.43	44.43	-	-	44.43
Total	**1,796.06**	**1,464.95**	**329.70**	**1.41**	**1,796.06**

Note 50 - Financial Risk Management (contd)

(₹ In Crore)

As at March 31, 2021	Carrying Amount	Less than One Year	More than one year and less than five year	More than 5 Years	Total
Borrowings	1,734.00	1,317.48	393.17	23.35	1,734.00
Trade payables	565.00	565.00	-	-	565.00
Lease Liabilities	17.62	4.53	13.09	-	17.62
Other Liabilities	61.85	61.85	-	-	61.85
Total	**2,378.47**	**1,948.86**	**406.26**	**23.35**	**2,378.47**

Note 51 - Capital Management

(a) Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's capital management is intended to maximize the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective , the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Company's Capital Management is to maximize the shareholder's value. Management also monitors the return on capital. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. However, sugar being a seasonal industry, it is very highly capital and working capital intensive, therefore required to raise need based short term and long term debt for smooth running of the operations.

The Company monitors capital using a gearing ratio calculated as below:

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Debt	1,141.67	1,734.00
Less: cash and cash equivalents & bank balances	59.12	2.69
Net debt	1,082.55	1,731.31
Equity	1,562.89	1,375.08
Gearing Ratio { net debt / (equity + net debt)}	41%	56%

No changes were made in the objectives , policies or processes for managing capital during the year ended March 31, 2021 and March 31, 2020.

Notes forming part of the Standalone Financial Statement

Note 51 - Capital Management (contd)

(b) Dividends

(₹ in Crore)

	Recognized in the year ending	
	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Dividends Recognized		
Final dividend for the year ended March 31, 2020 of ₹ Nil/- per equity share		
(March 31, 2019 ₹3/- per equity share)	-	19.92
Interim dividend for the year ended March 31, 2021 of ₹6/- per equity share (March 31, 2020 ₹6/- per equity share)	39.83	39.83
(ii) Dividend proposed but not recognised in the books of accounts*		
In addition to the above dividends, for the year ended March 31, 2021 the directors have recommended the payment of a final dividend of ₹ NIL /-equity share. (March 31, 2020 ₹ Nil/- per equity share)	-	-

Note : 52

The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

Note : 53 - COVID 19

The COVID-19 outbreak has developed rapidly in 2020, and the macroeconomic impact of the Covid -19 pandemic was felt across the economy and business segments. Consequent to the significant opening up of the economic activity in the country, and Governments support to the sugar industry, the demand for the company's products has improved significantly as compared to that during the initial phases of Covid-19 including the lockdown period. All the business segments of the Company have substantially recovered as at year end, without any material impact.

In preparation of these financial statements, the Company has taken into account the possible impact of COVID-19, including internal and external factors known up to the date of approval of these Financials, to assess and finalise the carrying amount of its assets and liabilities. Accordingly, as of date, no material impact is anticipated in the aforesaid carrying amounts.

However, the ongoing impact of COVID-19 on our business continues to evolve and be unpredictable and may be different from that estimated. The Company will continue to closely monitor any material changes in future economic conditions and developments.

Notes forming part of the Standalone Financial Statement

Note : 54 - Events occurring after the balance sheet date:

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

Note : 55

The financial statements were approved for issue by the Board of Directors on April 24, 2021.

The accompanying notes from 1 to 55 form an integral part of the financial statements

For Atul Garg & Associate	For T R Chadha & Co LLP	For and on behalf of the Board of Directors			
Chartered Accountants Firm Registration No.001544C	Chartered Accountants Firm Registration No.006711N/N500028				
Fiza Gupta Partner **Membership No. 429196**	**Neena Goel** Partner **Membership No. 057986**	**V. K. Goel** Chairman **(DIN 00075317)**	**A. K. Goel** Vice Chairman **(DIN 00076553)**	**Gaurav Goel** Managing Director **(DIN 00076111)**	**Gautam Goel** Managing Director **(DIN 00076326)**
		M. P. Mehrotra Director (DIN 00016768)	**Susheel Mehrotra** CFO	**Nalin Kumar Gupta** Joint CFO	**Aparna Goel** Company Secretary
Place: Kanpur Date: April 24, 2021	Place: New Delhi Date: April 24, 2021				

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Dhampur Sugar Mills Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Dhampur Sugar Mills Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"),which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Financial Statements and on the other financial information of the subsidiaries as referred to in 'Other Matters' paragraph below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and the consolidated profit and consolidated total Other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') read together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

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

Description of Key Audit Matters

Key Audit Matter	Auditor's Response
1. Determination of NRV of Sugar for comparison with Cost of Production (COP) for valuation of inventory:	
As on March 31, 2021, the Group has inventory of sugar with a carrying value of ₹1145.78 Crore. The inventory of sugar is valued at the lower of cost and net realizable value. We considered the value of the inventory of sugar as a key audit matter given the relative value of inventory in the financial statements and significant judgement involved in the consideration of factors such as minimum sale price, monthly quota, and fluctuation in domestic and international selling prices in valuation of NRV.	**Principal Audit Procedures** We understood and tested the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory of sugar. We considered various factors including the prevailing unit specific domestic selling price during and subsequent to the year-end, minimum selling price & monthly quota, selling price for contracted sugar export and initiatives taken by the Government with respect to sugar industry as a whole. 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.
2. Recognition of Deferred Tax Assets (DTA) relating to minimum alternate tax (MAT) credit entitlement and re-measurement of Deferred Tax	
As on March 31, 2021, the Group has recognized deferred tax asset relating to MAT credit entitlement amounting to ₹155.36 Crore. Also, the Group has re-measured its deferred tax assets and liabilities based on the expected adoption of lower tax regime, u/s 115BAA of Income Tax Act, to be applied in future. The Group exercises significant judgement in assessing the recoverability of DTA relating to MAT credit & reversal of DTL relating to dual income tax rates. In estimating the same, management uses inputs such as internal business and tax projections over a 10-year period. We considered this matter as key audit matter, as it is sensitive to the assumptions used by management in projecting the future taxable income, the reversal of deferred tax liabilities which can be scheduled, and tax planning strategies.	**Principal Audit Procedures** We considered relevant notifications/circulars issued by Income tax department and provisions of Income Tax Act, 1961 and relevant accounting standard and clarification given by Ind AS Technical Facilitation Group (ITFG). We also understood the various assumptions and judgements made by the management relating to forecast of future profitability projections and future taxable profits for making assessment of utilization of MAT credit entitlement and for migration to new tax regime. We evaluated the reasonableness and tested the appropriateness of those underlying assumptions and judgements based on the existing parameters and business environment. We performed a sensitivity analysis over the key assumptions to assess their impact on the Group's determination that the DTA relating to carry forward losses and MAT credit were realizable. We considered the issue of recognition of deferred tax asset and liabilities based on the tax rates expected to be applied at the time of its reversal and assessed the appropriateness of Group's accounting policy for recognition of deferred tax assets and liabilities and compliance of the policy with the requirement of prevailing accounting standards.. Based on the above procedures performed, the recognition of deferred tax assets relating to the MAT credit entitlement and measurement of deferred tax assets and liabilities using the tax rates applicable at the time of reversal are considered adequate and reasonable.

Key Audit Matter	Auditor's Response
3. Contingent Liabilities- Contingencies related to Regulatory, Direct and Indirect tax matters	
The Group has material contingencies related to Regulatory, Direct and Indirect tax matters which are under dispute with various authorities as more fully described in Note 38 (I) to the Standalone financial statements. The Group exercises significant judgment to determine the possible outcome of these disputes. Thereafter the Group makes a determination for recording/ write-back of provisions or alternatively disclosing them as contingencies unless the matters are considered as remote. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias.	Principal Audit Procedures We have obtained an understanding of the Group's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures: 1) understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; 2) discussing with the management any material developments and latest status of legal matters; 3) read various correspondences and related documents pertaining to litigation cases produced by the management and performed substantive procedures on calculations supporting the disclosure of contingent liabilities; examining management's judgements and assessments whether provisions are required; considering the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; 4) reviewing the adequacy and completeness of disclosures; Based on the above procedures performed, the estimation and disclosures of contingent liabilities are considered to be adequate and reasonable.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon. The aforesaid report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the company's annual report and If we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Board of Directors of the entities included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group 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 Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each entity.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the Holding Company.
- Conclude on the appropriateness of management of the Holding Company use of the going concern basis of accounting in preparation of Consolidated Financial Statements 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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

We did not audit the standalone financial statements of four subsidiaries viz Dhampur International Pte Ltd., EHAAT Limited, DETS Limited and Dhampur Bio Organics Limited (erstwhile RMSD Enterprises Private Limited considered in the preparation of the Consolidated Financial Statements and which together constitutes total assets of ₹26.13 Crore as at March 31, 2021, total revenue of ₹88.83 Crore and total comprehensive loss (comprising of net income after tax and other comprehensive income) of ₹(5.67) Crore for the year ended March 31, 2021. These standalone financial statements and other financial information have been audited by other firm of Chartered accountants whose reports have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements provided by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

    (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors of its subsidiary companies which are incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 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 over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding company, and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

(g) With respect to the matter 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 according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

(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, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group- Refer Note 38 to the Consolidated Financial Statements;

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

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

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196
UDIN: 21429196AAAAAK7054

Place of signature: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 21057986AAAAFM1260

Place of signature: New Delhi
Date: April 24, 2021

Annexure A to the Independent Auditors' Report on the Consolidated Financial Statements of the Dhampur Sugar Mills Limited for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the Consolidated Financial Statements of Dhampur Sugar Mills Limited ("the Holding Company") as of March 31, 2021, we have audited the internal financial controls over financial reporting with reference to the Consolidated Financial Statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Holding company, and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company, considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Other Matters

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to Consolidated Financial Statements insofar as it related to 3 (three) subsidiary companies, which are incorporated in India, is based on the corresponding report of auditors of such companies incorporated in India.

For Atul Garg & Associates
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196
UDIN: 21429196AAAAAK7054

Place of signature: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 21057986AAAAFM1260

Place of signature: New Delhi
Date: April 24, 2021

Consolidated Balance Sheet as at March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ In Crore)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	4	1,593.22	1,616.02
(b) Right-of-use-assets	4A	18.43	18.68
(c) Capital work - in - progress	5	21.24	6.78
(d) Goodwill	6(i)	0.01	-
(e) Other Intangible assets	6(ii)	2.48	2.87
(f) Biological asset	7(i)	#	#
(g) Financial assets			
(i) Investments	8	2.60	2.34
(ii) Loans	9 (i)	2.90	2.80
(iii) Other financial assets	10 (i)	-	0.41
(h) Deferred tax asset (net)	22	-	3.70
(i) Other non - current assets	11 (i)	24.25	22.77
Sub total (Non current assets)		1,665.13	1,676.37
(2) Current assets			
(a) Inventories	12	1,292.55	1,603.70
(b) Biological asset	7(ii)	1.04	1.17
(c) Financial assets			
(i) Trade receivables	13	296.68	343.21
(ii) Cash and cash equivalents	14	72.41	9.86
(iii) Bank Balances other than (ii) above	15	7.75	6.51
(iv) Loans	9 (ii)	7.98	9.37
(v) Other financial assets	10 (ii)	4.88	1.48
(d) Other current assets	11 (ii)	121.44	213.82
Sub total (Current assets)		1,804.73	2,189.12
(e) (i) Assets held for sale - continuing operation	16	-	1.64
(e) (ii) Assets classified as held for sale - discontinued operation	51	0.95	2.01
Total assets		3,470.81	3,869.14
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	17	66.45	66.45
(b) Other equity	18	1,493.61	1,295.22
Equity attributable to the owners of the parent		1,560.06	1,361.67
Non- Controlling Interest		-	0.23
Sub total (Equity)		1,560.06	1,361.90
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	19(i)	320.13	416.63
(ii) Lease Liabilities	4A	11.07	13.23
(b) Other non - current liabilities	23(i)	9.21	16.64
(c) Provisions	21(i)	32.80	32.38
(d) Deferred tax liabilities (net)	22	33.69	-
Sub total (non current liabilities)		406.90	478.88
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19(ii)	710.68	1,200.82
(ii) Trade payables	24		
(A) Total outstanding dues of micro enterprises and small enterprises	24	4.64	1.93
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	24	589.21	599.61
(iii) Lease Liabilities	4A	5.17	4.78
(iv) Other financial liabilities	20	155.50	178.72
(b) Other current liabilities	23(ii)	24.82	32.69
(c) Provisions	21(ii)	9.04	7.63
(d) Current tax liabilities (net)	25	4.65	-
Sub total (current liabilities)		1,503.71	2,026.18
(e) Liabilities relating to the assets classified as held for sale	51	0.14	2.18
Total equity & liabilitie		3,470.81	3,869.14

The accompanying notes from 1 to 56 form an integral part of the financial statements

This is the Consolidated Balance Sheet referred to in our report of even date

For Atul Garg & Associate
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel
Chairman
(DIN 00075317)

A. K. Goel
Vice Chairman
(DIN 00076553)

Gaurav Goel
Managing Director
(DIN 00076111)

Gautam Goel
Managing Director
(DIN 00076326)

M. P. Mehrotra
Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Consolidated Statement of Profit & Loss for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ In Crore)

	Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
	From Continuig operation			
I	Revenue from operations	26	4,231.50	3,525.13
II	Other income	27	17.47	31.08
III	Total income (I + II)		4,248.97	3,556.21
IV	Expenses			
	Cost of materials consumed	28	2,808.68	2,464.34
	Excise duty on sale of goods	29	74.90	40.75
	Purchase of Stock-in-Trade	30	84.55	202.52
	Changes in inventories of finished goods, stock - in - trade and work - in - progress	31	332.46	48.02
	Employee benefits expenses	32	147.11	140.72
	Finance costs	33	79.88	100.59
	Depreciation and amortization expenses	34	77.71	76.04
	Other expenses	35	328.42	267.57
	Total expenses (IV)		3,933.71	3,340.55
V	Profit / (loss) before exceptional items and tax (III - IV)		315.26	215.66
VI	Exceptional items		-	-
VII	Profit / (loss) before tax (V - VI)		315.26	215.66
VIII	Tax expense			
	(1) Current tax	36	56.41	31.62
	(2) Deferred tax		29.76	(39.99)
			86.17	(8.37)
IX	Profit / (loss) for the period from continuing operation (VII - VIII)		229.09	224.03
X	Profit / (loss) for the period from discontinuing operation before tax	51	(0.12)	(8.40)
	Tax expense on discontinued operation		-	-
	Profit / (loss) for the period from discontinuing operation after tax		(0.12)	(8.40)
XI	Net Profit for the year (IX+X)		228.97	215.63
XII	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss			
	-- Remeasurement of Post-Employment Benefits Obligation		0.30	(2.23)
	-- Change in Fair value of FVOCI equity investments		1.74	(0.87)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.26)	0.85
	B (i) Items that will be reclassified to profit or loss		10.32	(8.56)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(3.60)	3.07
	Total other comprehensive income for the period		8.50	(7.74)
XIII	Total comprehensive income for the period (XI+XII)		237.47	207.89
	Profit for the year from continuing operation attributable to:-			
	a) Owners of the parent		229.32	224.92
	b) Non- controlling interest		(0.23)	(0.89)
	Profit for the year from discontinuing operation attributable to:-			
	a) Owners of the parent		(0.12)	(8.40)
	b) Pre acquisition profit attributable to owners		-	-
	Profit for the year from total operation attributable to:-			
	a) Owners of the parent		229.20	216.52
	b) Non- controlling interest		(0.23)	(0.89)
	Other comprehensive income for the year attributable to:-			
	a) Owners of the parent		8.50	(7.74)
	b) Non- controlling interest		-	-
	Total comprehensive income for the year attributable to:-			
	a) Owners of the parent		237.70	208.78
	b) Pre acquisition profit attributable to owners		-	-
	c) Non- controlling interest		(0.23)	(0.89)
XIV	Earning per equity shares (Face value of ₹10 each)	37		
	From continuing operation			
	(i) Basic (₹)		34.54	33.88
	(ii) Diluted (₹)		34.54	33.88
	From discontinuing operation			
	(i) Basic (₹)		(0.02)	(1.27)
	(ii) Diluted (₹)		(0.02)	(1.27)
	From total operation			
	(i) Basic (₹)		34.52	32.61
	(ii) Diluted (₹)		34.52	32.61

The accompanying notes from 1 to 56 form an integral part of the financial statements

This is the Consolidated Statement of Profit & Loss referred to in our report of even date

For Atul Garg & Associate

Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP

Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel
Chairman
(DIN 00075317)

A. K. Goel
Vice Chairman
(DIN 00076553)

Gaurav Goel
Managing Director
(DIN 00076111)

Gautam Goel
Managing Director
(DIN 00076326)

M. P. Mehrotra
Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

A. Equity share capital

(₹ in Crore)

For the year ended March 31, 2020			For the year ended March 31, 2021		
Balance as at April 1, 2019	Changes in equity share capital during the year	As at March 31, 2020	Balance as at April 1, 2020	Changes in equity share capital during the year	As at March 31, 2021
66.45	-	66.45	66.45	-	66.45

B. Other Equity

(₹ in Crore)

Particulars	Attributable to the equity shareholder of the parent										Total	Non controlling interest	Total other equity
	Surplus						Others reserves						
	Capital reserve	Securities premium	Storage fund/ reserve for molasses	Capital redemption reserve	General reserve	Retained earnings	Remeasurement of Post-Employment Benefits Obligation	FVOCI equity investment reserve	Foreign currency translation reserve	Cash flow hedge reserve			
Balance as at April 01,2019	7.56	379.94	1.41	3.72	121.83	645.48	(2.86)	0.58	0.67	(0.08)	1,158.25	1.12	1,159.37
Profit for the year						216.52	-				216.52	(0.89)	215.63
Loss on sale of equity trf from OCI to Retained Earning						(0.24)					(0.24)		(0.24)
Other comprehensive income						-	(1.45)	(0.80)	0.23	(5.72)	(7.74)		(7.74)
Total comprehensive income for the year	-	-	-	-	-	216.28	(1.45)	(0.80)	0.23	(5.72)	208.54	(0.89)	207.65
Molasses fund created during the year			0.38								0.38		0.38
Molasses fund utilised during the year			(0.21)								(0.21)		(0.21)
Transfer from statutory reserve					0.21						0.21		0.21
Reclassify to Profit & loss										0.08	0.08		0.08
Final dividend, inclusive of taxes						(24.01)					(24.01)		(24.01)
Interim dividend, inclusive of taxes						(48.02)					(48.02)		(48.02)
Balance as at March 31, 2020	7.56	379.94	1.58	3.72	122.04	789.73	(4.31)	(0.22)	0.90	(5.72)	1,295.22	0.23	1,295.45
Profit for the year						229.20					229.20	(0.23)	228.97
Loss on sale of equity trf from OCI to Retained Earning						(0.01)					(0.01)		(0.01)
Other comprehensive income						-	0.20	1.58	0.02	0.98	2.78		2.78
Total comprehensive income for the year	-	-	-	-	-	229.19	0.20	1.58	0.02	0.98	231.97	(0.23)	231.74
Molasses fund created during the year			0.53								0.53		0.53
Molasses fund utilised during the year			-								-		-
Transfer from statutory reserve					-						-		-
Reclassify to Profit & loss										5.72	5.72		5.72
Final dividend, inclusive of taxes						-					-		-
Interim dividend, inclusive of taxes						(39.83)					(39.83)		(39.83)
Balance as at March 31, 2021	7.56	379.94	2.11	3.72	122.04	979.09	(4.11)	1.36	0.92	0.98	1,493.61	-	1,493.61

The accompanying notes from 1 to 56 form an integral part of the financial statements

This is the Consolidated Statement of Change in Equity referred to in our report of even date

For Atul Garg & Associate
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel
Chairman
(DIN 00075317)

A. K. Goel
Vice Chairman
(DIN 00076553)

Gaurav Goel
Managing Director
(DIN 00076111)

Gautam Goel
Managing Director
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M. P. Mehrotra
Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Consolidated Statement of Cash Flow for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ In Crore)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A	Cash flow from operating activities		
	Net Profit before tax from continuing operations	315.26	215.66
	Net Profit before tax from discontinuing operations	(0.12)	(8.40)
	Adjustments :		
	Depreciation and impairment of property, plant and equipment	77.71	76.04
	(Gain) / Loss on disposal of property, plant and equipment	3.69	0.04
	Finance costs	79.88	100.59
	Transfer to storage fund for molasses	0.53	0.38
	Deferred Government grant	(0.38)	(0.38)
	Finance Income	(1.30)	(1.74)
	Dividend Income	(0.04)	(0.14)
	Provision for impairment of investment reversed	(2.00)	-
	Provision for employee benefits	1.53	1.16
	Loss on material held for disposal	1.64	-
	Foreign currency translation income	-	-
	Provision for doubtful debts	1.39	-
	Fair value gain on re-measurement of biological assets through profit or loss	(1.11)	(2.85)
	Liabilities/ Provisions no longer required written back	(1.31)	(0.94)
	Bad-debts written off	5.06	9.70
	Profit on sale on investment	-	(1.04)
	Operating profit before working capital adjustments	**480.43**	**388.08**
	Working capital adjustments		
	(Increase) /Decrease in trade receivables	40.08	43.06
	(Increase) /Decrease in other receivables	12.61	(12.51)
	(Increase) /Decrease in other financial assets	(0.71)	(1.18)
	(Increase) /Decrease in government Grant	87.86	(21.91)
	(Increase) /Decrease in asset held for sale	1.64	-
	(Increase) /Decrease in inventories	311.15	52.18
	Increase / (Decrease) in trade and other financial liabilities	(9.12)	(40.92)
	Increase / (Decrease) in provisions and other liabilities	(6.47)	(15.01)
	Cash generated from operations	917.47	391.79
	Tax expenses	(36.08)	(48.00)
	Net cash from operating activities from continuing operation	881.39	343.79
	Net cash from operating activities from discontinuing operation	(1.12)	(5.59)
	Net cash from operating activities from total operation	**880.27**	**338.20**
B	Investing activities		
	Purchase of property, plant and equipment	(87.91)	(61.20)
	Sale of property, plant and equipment	3.57	1.37
	Sale /(Purchase) of financial instruments	3.48	9.59
	Interest received	1.83	1.14
	Purchase/maturity of fixed deposits (Net)	(1.05)	0.40
	Dividend received	0.04	0.14
	Net cash from investing activities from continuing operation	**(80.04)**	**(48.56)**
	Net cash from investing activities from discontinuing operation	-	0.05
	Net cash from investing activities from total operation	**(80.04)**	**(48.51)**
C	Financing activities		
	Repayments of long term borrowings (including preference shares)	(165.10)	(183.97)
	Receipt of long term borrowings	52.16	32.60

Consolidated Statement of Cash Flow for the year ended March 31, 2021

CIN No :-L15249UP1933PLC000511

(₹ In Crore)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Principal payment of Lease Liabilities	(3.76)	(3.89)
Interest paid on Lease Liabilities	(1.55)	(0.65)
Proceeds from short term borrowings (net)	(490.14)	61.51
Dividend including dividend distribution tax	(39.83)	(71.73)
Finance Cost Paid	(90.08)	(119.97)
Net cash flow from / (used in) financing activities from continuing operation	(738.30)	(286.10)
Net cash flow from / (used in) financing activities from discontinuing operation	0.60	(6.84)
Net cash flow from / (used in) financing activities from total operation	(737.70)	(292.94)
Net increase in cash and cash equivalents (A+B+C)	62.53	(3.25)
Opening cash & cash equivalents (including opening cash & cash equivalents of discontinued operations)	9.93	13.18
Opening cash & cash equivalents of discontinuing operation		
Closing Cash & cash Equivlant of discontinued Operation (included in Assets classified as held for sale - discontinued operation)	0.05	0.07
Closing cash and cash equivalents for the purpose of Cash Flow Statement (Refer note 14)	**72.41**	**9.86**

Notes:

1 The above consolidated statement of cash flow has been prepared under the indirect method setout in Indian Accounting Standard (Ind AS) 7

2 Figures in brackets indicate cash outflow from respective activities.

3 Cash and cash equivalents as at the Balance Sheet date consists of :

(₹ in Crore)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balances with banks :		
- On current account	71.42	7.77
Cash on hand	0.99	2.09
Total	72.41	**9.86**

Reconciliation between the opening and closing balances in balance sheet for liabilities arising from financing activities :

(₹ in Crore)

Particulars	Long-term borrowings	Short-term borrowings	Total
Opening balance as on April 01, 2020	539.29	1,200.82	1,740.11
Financial cash flows (Net)	(112.94)	(490.14)	(603.08)
Change in Interest accured	7.74	-	7.74
Closing balance as at March 31, 2021	**434.09**	**710.68**	**1,144.77**

The accompanying notes from 1 to 56 form an integral part of the financial statements

This is the Consolidated Statement of Cash Flow referred to in our report of even date

For Atul Garg & Associate
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel
Chairman
(DIN 00075317)

A. K. Goel
Vice Chairman
(DIN 00076553)

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Managing Director
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Managing Director
(DIN 00076326)

M. P. Mehrotra
Director
(DIN 00016768)

Susheel Mehrotra
CFO

Nalin Kumar Gupta
Joint CFO

Aparna Goel
Company Secretary

Notes forming part of the Consolidated Financial Statement

Notes to the Consolidated Financial Statement for the year ended March 31, 2021

1) Corporate Information:

The consolidated financial statements comprise financial statements of Dhampur Sugar Mills Limited ("DSML" or "the Company" or "the Parent") and its Subsidiaries Company, Dhampur International Pte Ltd., EHAAT Limited, DETS Limited &Dhampur Bio Organics Limited ("the Subsidiary Company") (collectively referred to as "the Group") for the year ended March 31, 2021.

The Company having CIN No. L15249UP1933PLC000511 is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India and has its registered office at Bijnor, Uttar Pradesh, India.

The Company's shares are listed on two stock exchanges in India namely, National Stock Exchange of India and Bombay Stock Exchange of India.

The company is engaged mainly in the manufacturing and selling of sugar, chemicals, ethanol and co-generation of power.

Its allied business consists of:

(a) Business of importers, exporters of white crystal sugar, ethyl acetate, ethyl alcohol and yellow soybeans,

(b) E-commerce business and,

(c) Sale of machinery and providing services related with these machineries.

2) Consolidated Significant Accounting Policies:

The significant accounting policies applied by the Group in the preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial statements, unless otherwise indicated.

i. Basis of preparation and presentation

a) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant amendment rules thereafter andaccounting principles generally accepted in India.

The consolidated accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period,like assets for defined benefit plans and biological assets that are measured at fair value, and assets held for sale which is measured at lower of cost and fair value less cost to sell as explained further in notes to consolidated financial statements.

c) Functional and presentation currency

The consolidated financial statements are presented in Indian rupees (₹) and all values are rounded to the nearest Crore and two decimals thereof, except if otherwise stated.

d) Basis of Consolidation

The consolidated financial statements related to Dhampur Sugar Mills Limited ("The Company" and its Subsidiaries Collectively referred as the "Group"). The Company consolidates all entities which are controlled by it.

In the case of subsidiaries, control is achieved when the group is exposed, or has right, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary. Assets, Liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statement in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. year ended on March 31.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

e) Consolidation procedure

The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

(ii) Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.

(iii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

(iv) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(v) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

(vi) Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to owners of the Company.

(vii) Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the owners of the Company.

Notes forming part of the Consolidated Financial Statement

ii. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it satisfies any of the following criteria:-

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria:

- Expected to be settled in the company's normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

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

iii. Property, plant and equipment&capital work-in-progress

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is being recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Freehold lands are stated at cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes less accumulated depreciation, and impairment loss, if any.

The cost of an asset includes the purchase cost of material, 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. For this purpose, cost includes carrying value as Deemed cost on the date of transition. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption. When parts of an item of PPE have different useful lives, they are accounted for as separate component.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost and related accumulated depreciation are eliminated from the financial statement upon sale or retirement of the asset and resultant gain or loss are recognized in the Statement of Profit and Loss.

Assets identified and technically evaluated as obsolete are retired from active use and held for disposal are stated at the lower of its carrying amount and fair value less cost to sell.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

iv. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. For this purpose, cost includes carrying value as Deemed cost on the date of transition.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in the statement of profit and loss..

v. Depreciation and amortization

The classification of plant and machinery into continuous and non-continuous process is done as per their use and depreciation thereon is provided accordingly. Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the straight line methodto allocate their cost, net of their residual values, over their estimated useful lives in respect of majority of assets except assets having varying amount of ₹0.17 Crore, which are depreciated on WDV method.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives as stated in Schedule II of the Companies Act, 2013.

The Group has used the following useful lives to provide depreciation on its assets:

Assets	Useful Lives
Building	03-60 years
Plant & equipment	15-40 years
Furniture & fixtures	10 years
Railway sidings	15 years
Weighbridge	15 years
Computers	03 years
Office equipment	05 years
Electrical appliances	15 years
Vehicles	08 years
Farm asset and equipment	15 years

Intangible assets are amortized on a straight-line basis over the estimated useful economic life of the assets. The Group uses a rebuttable presumption that the useful life of intangible assets is ten years from the date when the assets is available for use.

Notes forming part of the Consolidated Financial Statement

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year and are given effect to wherever appropriate.

vi. Foreign currency translations

Transactions and balances

The Group's consolidated Ind AS financial statements are presented in Indian Rupee, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date of the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy)that have a functional currency different from the presentation currency are translated into the presentation currency asfollows:

a) Assets and liabilities are translated at the closing rate at the date of that balance sheet

b) Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of thecumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c) All resulting exchange differences are recognised in Other Comprehensive Income and accumulated in the foreign currency translation reserve.

vii. Inventories

Raw material, process chemicals, stores and packing material are measured at weighted average cost.

Work in progress, traded and finished goods (other than by products and scraps) are measured at lower of cost or net realizable value.

By products and scrap are carried at estimated Net Realizable Value.

Cost of finished goods and work in progress comprises of raw material cost (net of realizable value of By-products), variable and fixed production overhead, which are allocated to work in progress and finished goods on full absorption cost basis. Cost of inventory also includes all other cost incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

Net realisable value (NRV) is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

viii. Biological assets

Biological assets comprise of standing crop and livestock.

Biological assets are measured at fair value less cost to sell. Changes in fair value of biological assets is recognised in the statement of profit and loss account

The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops.

For Standing crop, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date.

When harvested, crop is transferred to inventory at fair value less costs to sell.

ix. Revenue recognition

The Group derives revenue primarily from sale of sugar and other by-products produced from processing of sugar cane, sale of power and sale of chemicals.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration, the company expect to receive in exchange of those products or services. Revenue is inclusive of excise duty and excluding estimated discount, pricing incentives, rebates, other similar allowances to the customers and excluding Goods and Service Tax (GST) and other taxes and amounts collected on behalf of third parties or government, if any.

Recognising revenue from major business activities

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Contract Revenue

Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to condition that it is probable that such cost will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

i. the amount of revenue can be measured reliably;

ii. it is probable that the economic benefits associated with the contract will flow to the Group;

iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and

iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

Dividend income

Dividend income is recognised when the Group’s right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliablyi.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Notes forming part of the Consolidated Financial Statement

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claims

Insurance claim are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Export incentives

Export incentives are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

Other incomes

All other incomes are accounted on accrual basis.

x. Expenses

All expenses are accounted for on accrual basis.

xi. Long term borrowings

Long term borrowings are initially recognised at net of material transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on cumulative preference shares is recognised in Statement of Profit and Loss as finance costs.

xii. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale. 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. Other borrowing costs are expensed in the period in which they are incurred. Transaction costs incurred for longterm borrowing until are not material are expensed in the period in which they are incurred.

xiii. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component based on the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor’s net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

xiv. Provision for current and deferred Tax

(i) Current Income Tax :

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Notes forming part of the Consolidated Financial Statement

Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

The Group Offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Group will update the amount in the financial statement if facts and circumstance change as a result of examination or action by tax authorities.

(ii) Deferred tax :

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax is recognized in statement of profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Minimum Alternate Tax (MAT) credits is recognised as deferred tax assets in the Balance Sheet only when the asset can be measured reliably and to the extent there is convincing evidence that sufficient taxable profit will be available against which the MAT credits can be utilised by the Group in future.

xv. Impairment of non-financial assets

Goodwill and Intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment.

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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.

The Carrying amount of assets is reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factor. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. Impairment is charged to the profit and loss account in the year in which an asset is identified as impaired.

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.

xvi. Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants related to assets, including non-monetary grants recorded at fair value, are treated as deferred income and are recognized and credited in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

xvii. Provisions, contingent liabilities and assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. Provisions are not recognised for future operating losses.

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

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

A contingent asset is not recognised but disclosed, when probable asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

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

xviii. Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which are subject to an insignificant risk of changes in value.

xix. Dividend payable

Dividends and interim dividends payable to Group's shareholders are recognized as changes in equity in the period in which they are approved by the shareholder's meeting and the Board of Directors respectively.

xx. Non-current assets (or disposal group) held for sale and discontinued operations:

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

Notes forming part of the Consolidated Financial Statement

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the consolidated statement of profit and loss, with all prior periods being presented on this basis.

xxi. Equity issue expenses

Expenses incurred on issue of equity shares are charged in securities premium account in the year in which it is incurred.

xxii. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial assets

Initial recognition and measurement

All financial assets except trade receivables are initially recognized at fair value. Trade receivables are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value of the financial assets, as appropriate, on initial recognition.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial assets give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is determined using the Effective Interest Rate (EIR) method. Discount or premium on acquisition and fees or costs forms an integral part of the EIR.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income for these financial assets is included in other income using the effective interest rate method.

c) Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

B. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

C. Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with the assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 “Financial Instruments” which requires expected life time losses to be recognised from initial recognition of receivables.The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed

D. Derecognition of financial assets:

The Group derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

E. Financial liabilities

Initial recognition and measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method or at FVTPL.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

F. Derecognition of financial liabilities:

A financial liability (ora part of a financial liability) is derecognized from the Group’s Balance Sheet when, and only when the obligation specified in thecontract is discharged or cancelled or expires.

Notes forming part of the Consolidated Financial Statement

G. Offsetting of financial instruments

Financial assets and financial liabilities including derivative instruments are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xxiii. Derivative Financial Instruments and Hedge Accounting

The Group uses various derivative financial instruments to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

A. **Cash Flow Hedge:** The Group designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

B. **Fair Value Hedge:** The Group designates derivative contracts or non-derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used for amortising to Statement of Profit and Loss over the period of maturity.

xxiv. Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or

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

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 Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 the purpose of fair value disclosures, the Group 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.

xxv. Employees benefits

a) Short-term obligations

Short-term obligations for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service up to the end of the reporting period are recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

b) Post-employment obligations

i. Defined contribution plans

The eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make contribution at a specified percentage of the covered employee's salary. The contributions, as specified under Defined Contribution Plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period in the statement of profit and loss.

ii. Defined benefit plans

- Non-funded defined benefits plans : The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Group.The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group.

  The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date.

  The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation.

  The service cost and net interest on the net defined benefit liability/(asset) is included in employees benefits expenses in the statement of profit and loss.

  Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

  Re-measurement gain and loss arising from experience adjustments and change actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.Re-measurements are not classified to the Statement of Profit and Loss in subsequent periods.

Notes forming part of the Consolidated Financial Statement

- **Funded defined benefits plans:** The Group's also made contribution to the provident fund set up as irrevocable trust. The Group generally liable for monthly contributions and any shortfall in the fund assets based on the government specified minimum rates of return or pension and recognises such contributions and shortfall, if any, as an expense in the year incurred.

c) Compensated absences

The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation.

Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit or loss.

d) Voluntary Retirement Scheme

Compensation to employees who have opted for retirement under the "Voluntary Retirement scheme" is charged to the profit and loss account in the year of retirement.

The Group required to use updated actuarial assumptions to remeasure net defined benefit liability or assets on amendments, curtailment or settlement of defined benefit plan.

The Group adopted amendment to Ind AS 19 as required by said notification to determine:

- Current Service Costs and net interest for the period after remeasurement using the assumptions used for remeasurement and
- Net interest for the remaining period based on the remeasured net defined benefit liability or asset.

xxvi. Operating segments

The Group's operating segments are established on the basis of those components of the group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Un-allocable".

Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Un-allocable".

xxvii. Cash flow statement

Cash flows are stated using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of incomes and expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Group are segregated.

xxviii. Earnings per share

Basic earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), attributable to the equity shareholders, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit/(loss) for the year (before other comprehensive income), adjusting the after tax effect of interest and other financing costs associated with dilutive potential equity shares, attributable to the equity shareholders, by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

xxix. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On July 24, 2020, the MCA has issued amendments to certain Ind AS. The amendments are effective from annual reporting periods beginningon or after April 1, 2020.The Group has applied the following standards and amendments for the first time for their annual reporting period commencing April1, 2020:

- Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Error: Refined definition of term "Materiality'- 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'
- Ind AS 103, Business Combinations: Revised definition of a 'business' and introduction of an optional concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business.
- Ind AS 109, Financial Instruments: Modification to some specific hedge accounting requirements to provide relief to the potential effects of uncertainty caused by the interest rate benchmark (IBOR) reform.
- Ind AS 116, Leases: Practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification. However, in case a lessee has not yet approved the financial statements for issue before the issuance of the amendments, then the same may be applied for annual reporting periods beginning on or after April 1, 2019.
- Ind AS 10 - "Events after the Reporting Period": Disclosure for nature of the event and an estimate of its financial effect / not being able to make such an estimate will be required for all non- adjusting events.
- Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets: A management decision to restructure, taken before the end of the reporting period does not give rise to a constructive obligation at the end of the reporting period unless the entity has, before the end of the reporting period, started to implement the restructuring plan or announced the main features of the restructuring plan to those affected by it.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New and revised IFRS Standards in issue but not yet effective:

Indian Accounting Standards (Ind AS) are derived from IFRS Standards issued by the International Accounting Standards Board (IASB). IFRS Standards are being issued/revised by the IASB from time to time. The Ind AS need to be issued/revised corresponding to the IFRS Standard in order to remain converged with IFRS. The IASB had issued new and revised IFRS standards which are in issue but not effective. Once they are notified by MCA, Company would analysis the impact on adoption.

Notes forming part of the Consolidated Financial Statement

3. Use of estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected

The areas involving critical judgement are as follows:

i. Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

iv. Provision for income taxes and deferred tax assets

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

i. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

ii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted price in markets, then fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes forming part of the Consolidated Financial Statement

Note 4 : Property, plant & equipment

(₹ in Crore)

Particulars	Land	Building	Plant & Equipment's	Furniture & Fixtures	Computers	Office Equipment's	Electrical Appliances	Vehicles	Farm Assets & Equipment	Total (2020-21)
Gross carrying cost										
As at April 01, 2020	**345.89**	**203.41**	**1,993.72**	**13.84**	**11.72**	**4.04**	**12.09**	**25.94**	**0.92**	**2,611.57**
Additions during the year	1.98	11.46	40.75	0.54	1.50	0.64	1.12	1.59	-	59.58
Disposals/ deductions during the year	(0.42)	(1.53)	(12.49)	-	-	-	-	(0.15)	-	(14.59)
As at March 31, 2021	**347.45**	**213.34**	**2,021.98**	**14.38**	**13.22**	**4.68**	**13.21**	**27.38**	**0.92**	**2,656.56**
Depreciation										
As at April 01, 2020	-	**75.63**	**873.08**	**10.38**	**10.04**	**3.01**	**9.74**	**13.07**	**0.60**	**995.55**
Charges for the Year	-	6.52	64.11	0.54	0.73	0.25	0.53	2.39	0.05	75.12
Disposals/ deductions during the year	-	(0.72)	(6.53)	-	-	-	-	(0.08)	-	(7.33)
As at March 31, 2021	-	81.43	930.66	10.92	10.77	3.26	10.27	15.38	0.65	1,063.34
Net carrying cost										
As at March 31, 2021	**347.45**	**131.91**	**1,091.32**	**3.46**	**2.45**	**1.42**	**2.94**	**12.00**	**0.27**	**1,593.22**
As at March 31, 2020	**345.89**	**127.78**	**1,120.64**	**3.46**	**1.68**	**1.03**	**2.35**	**12.87**	**0.32**	**1,616.02**

(₹ in Crore)

Particulars	Land	Building	Plant & equipment's	Furniture & fixtures	Computers	Office equipment's	Electrical appliances	Vehicles	Farm assets & equipment	Total (2019-20)
Gross carrying cost										
As at April 01, 2019	345.89	191.82	1,915.13	12.09	12.37	4.09	11.63	26.32	0.92	2,520.26
Additions during the year	-	11.86	79.04	1.91	0.24	0.09	0.51	2.63	-	96.28
Disposals/ deductions during the year	-	(0.27)	(0.45)	(0.02)	(0.03)	(0.01)	(0.05)	(2.75)	-	(3.58)
Transferred to discontinued operation	-	-	-	(0.14)	(0.86)	(0.13)	-	(0.26)	-	(1.39)
As at March 31, 2020	**345.89**	**203.41**	**1,993.72**	**13.84**	**11.72**	**4.04**	**12.09**	**25.94**	**0.92**	**2,611.57**
Depreciation										
As at April 01, 2019	-	**69.91**	**811.62**	**10.04**	**9.75**	**2.72**	**9.35**	**12.41**	**0.55**	**926.35**
Charges for the year	-	5.95	61.54	0.36	0.63	0.32	0.40	2.40	0.05	71.65

Note 4 : Property, plant & equipment (contd)

(₹ in Crore)

Particulars	Land	Building	Plant & equipment's	Furniture & fixtures	Computers	Office equipment's	Electrical appliances	Vehicles	Farm assets & equipment	Total (2019-20)
Charges on Discontinued Operation	-	0.00	0.00	0.01	0.22	0.03	0.00	0.04	-	0.30
Disposals/ deductions during the year	-	(0.23)	(0.08)	-	(0.02)	-	(0.01)	(1.67)	-	(2.01)
Transferred to discontinued operation	-	-	-	(0.03)	(0.54)	(0.06)	-	(0.11)	-	(0.74)
As at March 31, 2020	-	75.63	873.08	10.38	10.04	3.01	9.74	13.07	0.60	995.55
Net carrying cost										
As at March 31, 2020	345.89	127.78	1,120.64	3.46	1.68	1.03	2.35	12.87	0.32	1,616.02
As at March 31, 2019	345.89	121.91	1,103.51	2.05	2.62	1.37	2.28	13.91	0.37	1,593.91

Notes:

(i) Contractual commitment towards purchase of property, plant and equipment, refer note -38

(ii) The Company has availed loans from banks and other entities against security of the aforesaid assets (Refer note 19 for detailed security terms)

(iii) Finance Cost

The finance costs on specific borrowings capitalized during the year amounted to ₹ Nil (March 31, 2020 : ₹ 0.12 Crore) using the capitalization rate of N.A (March 31, 2020: 8.40 %) per annum which is the effective interest rate of the specific borrowings. Further, the Company has not capitalized any borrowing costs on its general borrowings.

Note 4A : Leases

(a) Right-of-use-assets

(₹ in Crore)

Particulars	Building	
	As at March 31, 2021	As at March 31, 2020
Gross Carrying Cost		
Opening Balance	22.68	0.61
Additions during the year	2.33	22.07
Disposals/deductions during the year	(0.41)	-
Borrowing cost	-	-
Closing Balance	**24.60**	**22.68**
Depreciation		
Opening Balance	4.00	-
Charges for the year	2.19	4.00
Disposals/deductions during the year	(0.02)	-
Closing Balance	**6.17**	**4.00**
Net Carrying Cost		
As at March 31, 2021	**18.43**	**18.68**
As at March 31, 2020	**18.68**	**0.61**

Notes forming part of the Consolidated Financial Statement

Note 4A : Leases (contd)

b. **Lease Obligation (As a lessee):**

The Company has adopted Ind AS 116 "Leases" effective April 1, 2019. The company has taken various premises on operating lease for lease period of 1 year to 5 years from the date of lease. The lease period may be further extended as per mutual decision of the parties.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value, the expenditure on which has been recognised under line item "Rent" under Other expenses.

Incremental borrowing rate of 8.60 % has been used for measurement of present value of remaining lease payments and right of use assets.

c. **The following is the movement in lease liabilities**

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the Beginning	18.01	-
Additions during the year	2.33	21.85
Deletions during the year	(0.35)	-
Finance Cost Accrued during the year	1.56	0.70
Payment of Lease Liabilities during the year	(5.31)	(4.54)
Translation Difference	-	-
Balance at the end	**16.24**	**18.01**

The break-up of current and non-current lease liabilities is as follows

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Lease Liabilities	5.17	4.78
Non-Current Lease Liabilities	11.07	13.23
Total	**16.24**	**18.01**

d. **Contractual maturities of lease liabilities on an undiscounted basis:**

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the company has chosen to apply the practical expedient as per the standard.

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Less than one year	5.17	4.53
One to five years	11.07	10.08
More than five years	-	3.40
	16.24	**18.01**
Rental expense recognised for short-term leases and low value leases for the year	3.13	4.08

Note 4A : Leases (contd)

e. Expense

In the Statement of profit and loss for the current period, the nature of the expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of the standard has an impact of increase/(decrease) in total expense by ₹ (1.56) Crore and ₹ 0.16 Crore on the consolidated financial results for the year ended March 31, 2021 and March 31, 2020 respectively.

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of rightof use assets (refer note 2(xiv))	2.19	4.00
Finance Cost on Lease Liablity (refer note 2(xiv))	1.56	0.70
Payment of lease liabilities- Rent Paid	(5.31)	(4.54)
	(1.56)	**0.16**

f. Amount recognized in Statement of Cash Flow

The lease payments have been classified as financing activities in the Statement of Cash Flow under Ind AS 116.The lease payments for operating leases were earlier reported under cash flow from operating activities.

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Repayment of Lease liabilities-Principal amount	3.76	3.89
Repayment of Lease liabilities-Interest amount	1.55	0.65
Total	**5.31**	**4.54**

g. The Company has not received/ exercised any concession like lease payments, rent free holidays etc.due to COVID-19. Therefore, no accounting relating to the modification of leases have been accounted for.

Note 5 - Capital Work In progress

(₹ in Crore)

Particulars		As at March 31, 2021	As at March 31, 2020
Opening Balance			
Plant and equipment/ Civil work - in- progress (A)	(A)	6.78	33.95
Additions during the year			
Plant and equipment / Civil work - in - progress		57.69	57.13
	(B)	**57.69**	**57.13**
Preoperative expenses/ trial run expenses			
Additions during the year :			
Finance costs		-	**0.12**
	(C)	-	0.12
Total additions during the year	D= (B+C)	**57.69**	**57.25**
	E = (A+D)	**64.47**	**91.20**
Add: Inter Unit Transferred		-	-
Capitalised during the year	(F)	43.23	84.42
Capital work-in-progress at the end of the year	G= (E-F)	**21.24**	**6.78**

Notes forming part of the Consolidated Financial Statement

Note 6 (i) : Goodwill

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	-	-
Acquisitions through business combination *	0.01	-
Closing Balance	**0.01**	**-**

* During the year, the company has acquired the 10000 Equity shares of RMSD Enterprises Private Limited (constituting 100% of paid up share capital of the RMSD Enterprises Private Limited) and became the wholly owned subsidiary company w.e.f. 31st March, 2021.

Note 6 (ii) : Intangible assets

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
	Computer Software Licenses	
Gross carrying cost		
Opening balance	3.92	3.90
Additions during the year	0.01	0.02
Disposals/deductions during the year	-	-
Closing balance (a)	**3.93**	**3.92**
Amortisation		
Opening balance	1.05	0.66
Charges for the year	0.40	0.39
Closing balance (b)	**1.45**	**1.05**
Net carrying cost		
Net closing balance (a-b)	**2.48**	**2.87**

Note 7 : Biological Assets

(i) Non-current biological assets

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Live stock (refer note. 2(ix))	#	#
Live stock (Loss)	-	-
Closing Balance	**#**	**#**

Value is ₹37,771 not reflecting due to round off.

(ii) Current biological assets

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Standing Crop (refer note. 2(ix))	1.17	0.72
Add: Change in fair value *	1.11	2.85
Less: Harvested during the year	1.24	2.40
Closing Balance	**1.04**	**1.17**

* excludes fair value of self consumed sugar cane of ₹2.31 Crore (Previous Year ₹1.74 Crore)

Notes forming part of the Consolidated Financial Statement

Note 8 : Financial assets - Investments

Non - current investments

(₹ in Crore)

Particulars	Face Value	No. of Shares/ Units	As at March 31, 2021	No. of Shares/ Units	As at March 31, 2020
(I) (a) Equity instruments					
(i) Investment in others (Unquoted)					
(Carried at deemed cost)					
Ramganga Sanyukta Sahkari Kheti Samiti Limited	₹ 100	1	#	1	#
(Value is ₹100, not reflecting due to rounding off)					
Total of Investment in others (Unquoted)			#		#
(ii) Investment in others (Quoted)					
(Carried at fair value through other comprehensive income)					
VLS Finance Limited	₹ 10	2,63,142	2.15	2,63,142	0.85
South Asian Enterprises Limited	₹ 10	2,50,000	0.26	2,50,000	0.07
BP PLC	GBP 5.7269	6,400	0.19	6,400	0.21
BNP PARIBAS	USD 100	-	-	1,50,000	0.82
China Petroleum and Chemical Corporation	HKD 6.3486	-	-	1,04,000	0.39
Total Investment in Equity Shares			2.60		2.34
Total			**2.60**		**2.34**

Note 8 (a): Disclosure

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment carried at deemed cost	#	#
Investment carried at fair value through FVTPL (Market Price)	-	-
Investment carried at fair value through OCI (Market Price)	2.60	2.34

Note 8 (b): Disclosure for Valuation method used

Disclosure of non-current investments

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate amount of quoted investments and market Value	2.60	2.34
Aggregate amount of unquoted investments	#	#

Notes forming part of the Consolidated Financial Statement

Note 9 : Financial assets - Loans

(i) Non-current loans

(Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Security deposits*		
- to related parties	2.06	1.86
- to others	0.84	0.94
Total	2.90	2.80

*Security deposits primarily includes deposits given towards rented premises,

(ii) Current loans

(Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Security deposits		
- to others	6.36	7.75
Other loans and advances :	-	-
Advances recoverable in cash or in kind	1.62	1.62
Total	7.98	9.37

Note 10 : Other financial assets

(i) Other non- current financial assets

(Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Other Recoverable	-	0.41
Total	-	0.41

(ii) Other current financial assets

(Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Insurance claim receivable	0.12	0.05
Interest receivable	0.73	1.26
Other recoverable	2.51	0.17
Carried at fair value through other comprehensive income		
Derivative Assets	1.52	-
Total	4.88	1.48

Notes forming part of the Consolidated Financial Statement

Note 11 : Other assets

(i) Other non-current financial assets

(Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital advance	16.55	1.44
Income tax refundable*	6.04	17.95
Payment of taxes under protest/appeal	1.66	3.38
Total	**24.25**	**22.77**

* Note - Income tax refundable

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance tax paid/refund	6.04	17.95
Less : Provision for tax	-	-
Total	**6.04**	**17.95**

(ii) Other current assets

(Unsecured and considered good, unless otherwise stated)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to suppliers	13.15	17.69
Advances to employees	0.42	0.60
Balance with revenue authorities	11.21	17.14
Subsidy receivable from Government/Government authority	83.28	163.05
Prepaid expenses	11.35	13.55
Advance recoverable - Other	1.92	1.69
Other loans & advances	0.11	0.10
Total	**121.44**	**213.82**

Note 12 : Inventories

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
(Refer Note No. - '2(viii)' for Mode of Valuation)		
Raw materials	30.06	14.24
Work-in-process	25.03	20.43
Finished goods	1,197.21	1,534.50
Stock in trade	0.55	0.32
Stores & spare parts	39.58	34.09
Loose tools	0.12	0.12
Total	**1,292.55**	**1,603.70**
Carrying amount of inventories pledged as security for borrowings	1,292.55	1,603.70

Notes forming part of the Consolidated Financial Statement

Note 13 :Trade receivables

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Trade Receivables		
- Unsecured, considered good	296.68	343.21
Total	296.68	343.21

Note 14 : Cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks :		
- On current account	71.42	7.77
Cash on hand	0.99	2.09
Total	72.41	9.86

Note : 15 Bank Balances other than cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks :		
-In unpaid dividend account	1.18	0.99
Other bank balances :		
Deposits earmarked for fixed deposit and others	4.45	4.11
Deposits earmarked for molasses storage fund	2.12	1.41
Total	7.75	6.51
Value of Restricited Bank Balances	7.75	6.51

Note 16 : Assets held for sale

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Material held for disposal*	-	1.64
Total	-	1.64

*Biogas Genset parts under power segment currently valued at nil as it has been write-off during the current year.

Note 17 : Share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	(₹ In Crore)	No.	(₹ In Crore)
Authorized shares				
Equity shares of ₹10/- each	11,38,26,000	113.83	11,38,26,000	113.83
Preference shares of ₹100/- each	69,17,400	69.17	69,17,400	69.17
Issued , subscribed and paid-up shares				
Equity				
Equity shares of ₹ 10/- each fully paid-up	6,63,87,590	66.38	6,63,87,590	66.38
Equity shares forfeited	3,25,496	0.07	3,25,496	0.07
Less : Calls in arrears	-	-	539	#
Total		**66.45**		**66.45**

Note 17. a : Reconciliation of shares outstanding at the beginning and at the end of the reporting period is set out below :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	(₹ In Crore)	No.	(₹ In Crore)
Issued , subscribed and paid-up shares				
Equity shares				
At the beginning of the period	6,63,87,590	66.38	6,63,87,590	66.38
Issued during the period	-	-	-	-
Outstanding at the end of the period	6,63,87,590	66.38	6,63,87,590	66.38

Note 17. b : Details of shareholders holding more than 5% shares :

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	% holding	No.	% holding
Equity shares of ₹10 each fully paid-up				
Goel Investments Ltd.	91,11,921	13.73	66,36,980	10.00
Anil Kumar Goel	58,70,000	8.84	57,78,005	8.70
Sonitron Ltd.	49,40,716	7.44	40,29,759	6.07
Shudh Edible Products Ltd.	42,99,680	6.48	42,99,680	6.48
Mr. Gautam Goel	42,42,339	6.39	42,42,339	6.39
Mr. Gaurav Goel	20,16,904	3.04	43,16,904	6.50

Note 17 c : Calls unpaid of equity shares

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.	(₹ In Crore)	No.	(₹ In Crore)
i) Calls unpaid by directors and officers	Nil	Nil	Nil	Nil
ii) Calls unpaid by others	Nil	Nil	539	2425

Note 17. d : Terms/right attached to equity shares

i) The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

ii) The company declares and pays dividend in Indian rupees. The dividend when proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Notes forming part of the Consolidated Financial Statement

Note 17 : Share capital (contd)

Note 17.e : Dividend

i) Detail of interim dividend and final dividend proposed

The Board of Directors has declared interim dividend of 60% on equity shares (₹6.00 per equity shares of ₹10 each) in the meeting held on February 02, 2021 and the same has been paid in stipulated timeline and it is treated as final dividend.

Note 17.f : No share is reserved for issue under options and contracts for the sale of shares, including terms and amounts.

Note 18 : Other equity

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
A. Reserve and surplus		
(i) Capital redemption reserve	3.72	3.72
(ii) Capital reserve	7.56	7.56
(iii) General reserve	122.04	122.04
(iv) Securities premium	379.94	379.94
(v) Storage fund/reserve for molasses	2.11	1.58
(vi) Retained earnings	979.09	789.73
B. Other reserve		
(i) Remeasurement of post employment benefit obligation	(4.11)	(4.31)
(ii) FVOCI equity reserves	1.36	(0.22)
(iii) Foreign currency translation reserve	0.92	0.90
(iv) Cash flow hedge reserve	0.98	(5.72)
Total	1,493.61	1,295.22

A. Reserve and surplus

(i) Capital redemption reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	3.72	3.72
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
Closing balance	3.72	3.72

(ii) Capital reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	7.56	7.56
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
Closing balance	7.56	7.56

Note 18 : Other equity (contd)

(iii) General reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	122.04	121.83
Add: Transfer from storage fund/reserve for molasses (refer A (v))	-	0.21
Less: Utilised during the year	-	-
Closing balance	122.04	122.04

(iv) Securities premium reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	379.94	379.94
Add: Premium on shares issued during the year	-	-
Less: Expenses on issue of shares during the year	-	-
Closing balance	379.94	379.94

(v) Storage fund/reserve for molasses

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	1.58	1.41
Add: Molasses fund created during the year	0.53	0.38
Less: Molasses fund Utilised during the year (transferred to general reserve)	-	0.21
Closing balance	2.11	1.58

(vi) Retained earnings

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	789.73	645.48
Add:		
Net Profit for the period	229.20	216.52
Loss on sale of equity trf from OCI to Retained Earning	(0.01)	(0.24)
Add/(Less): Appropriations		
Interim dividend inclusive of dividend distribution tax	(39.83)	(48.02)
Final dividend inclusive of dividend distribution tax	-	(24.01)
Closing balance	979.09	789.73

B. Other reserves

(i) Remeasurement of post employment benefit obligation

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	(4.31)	(2.86)
Add: Addition during the year	0.20	(1.45)
Less: Utilised during the year	-	-
Closing balance	(4.11)	(4.31)

Notes forming part of the Consolidated Financial Statement

Note 18 : Other equity (contd)

(ii) FVOCI equity reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	(0.22)	0.58
Add: Addition during the year	1.58	(0.80)
Less: Utilised during the year	-	-
Closing balance	1.36	(0.22)

(iii) Foreign currency translation reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	0.90	0.67
Add: Addition during the year	0.02	0.23
Less: Utilised during the year	-	-
Closing balance	0.92	0.90

(iv) Cash flow hedge reserve

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	(5.72)	(0.08)
Add: Addition during the year	0.98	(5.72)
Less: reclassified to profit and loss account	5.72	0.08
Closing balance	0.98	(5.72)

Note 18.2 : Nature and purpose of reserves

(i) Capital redemption reserve

Capital redemption reserve was created against the redemption of cumulative preference shares

(ii) Capital reserve

Capital reserve was created against amalgamation.

(iii) General Reserve

This represents appropriation of profit after tax by the company.

(iv) Securities premium reserves

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(v) Storage fund/reserve for molasses

The storage fund for molasses has been created to meet the cost of construction of molasses storage tank as required under Uttar Pradesh Sheera Niyantran (Sansodhan) Adesh, 1974.

(vi) Retained earnings

This comprise company's undistributed profit after taxes.

Note 18 : Other equity (contd)

(vii) FVOCI equity investment

The company has elected to recognise changes in fair value of certain investments in equity securities through OCI as Other Reserves. The company transfers amount from this reserves to retained earnings when the relevant investment is sold and realised.

(viii) Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

(ix) FVOCI Cash flow hedge reserve

The cash flow hedge reserve represents the cumulative effective portion of gain or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedge transaction occurs.

Note 19 : Financial liabilities "Borrowings"

(i) Non-current borrowings

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Secured - carried at amortised cost		
Secured :		
Term Loans		
From banks		
Rupee Loans loans from banks	226.17	359.37
(For Security refer note 19.b)		
From entities other than banks		
Rupee Loans :		
Government of India, Sugar Development Fund (SDF) (For Security refer note 19 a)	34.20	45.91
Unsecured intercorporate deposit - carried at amortised cost		
Intercorporate Deposit - from related parties	35.00	
Unsecured - carried at amortised cost		
Deposit - from related parties	8.61	5.49
'- from public	16.15	5.86
Total	**320.13**	**416.63**

Notes forming part of the Consolidated Financial Statement

Note 19 : Financial liabilities "Borrowings" (contd)

a) Terms of repayment :

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2021		Amount outstanding as at March 31, 2020		Period of maturity w.r.t the Balance Sheet date as at March 31, 2021	Number of Installments outstanding as at March 31, 2021	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ In Crore)	Non Current (₹ In Crore)	Current (₹ In Crore)	Non Current (₹ In Crore)				
1) Punjab National Bank									
Term loan from bank (Soft Loan)	7.95%	19.82	0.23	19.82	20.05	1 Year, 3 Months	5 Quarterly Installments	4.95	Refer note no. 19 (i) (a) (i) below
Term loan from bank	7.95%	3.00	1.50	3.32	5.01	1 Year, 6 Months	6 Quarterly Installments	0.75	Refer note no. 19 (i) (a) (ii) below
Term loan from bank	7.95%	3.30	1.65	3.30	4.95	1 Year, 6 Months	6 Quarterly Installments	0.82	Refer note no. 19 (i) (a) (ii) below
Term loan from bank	7.95%	15.18	3.80	15.18	18.98	1 Year, 3 Months	5 Quarterly Installments	3.80	Refer note no. 19 (i) (a) (ii) below
Term loan from bank (Soft Loan)	5.00%	53.24	115.36	53.25	173.05	3 Year, 3 Months	39 Monthly Installments	4.44	Refer note no. 19 (i) (a) (iii) below
Term loan from bank (Expansion for Distillery Capacity - Dhampur) *	7.95%	6.30	15.75	6.30	22.05	3 Year, 6 Months, 1 Day	15 Quarterly Installments	1.575	Refer note no. 19 (i) (a) (ii) below
Term loan from bank (Expansion for Distillery Capacity - Asmoli) *	7.95%	3.00	7.50	3.00	10.50	3 Year, 6 Months, 1 Day	15 Quarterly Installments	0.75	Refer note no. 19 (i) (a) (ii) below
Less :- Ind AS Impact		(5.23)	(5.21)	(6.81)	(10.45)				
	Sub-Total	**98.61**	**140.58**	**97.36**	**244.14**				
2) Central Bank of India	NA	-	-	5.42	8.12	Fully repaid			NA
3) UCO Bank	10.00%	-	85.50	-	107.00	5 Year	16 Quarterly Installments	5.375 except last four installment of ₹5.25	Refer note no. 19 (i) (a) (iv) below
4) Car loan from bank		0.06	0.09	0.05	0.11	Monthly	Monthly		Hypothecation of cars

Notes forming part of the Consolidated Financial Statement

Note 19 : Financial liabilities "Borrowings" (contd)

Name of banks / entities	Rate of Interest (ROI) % p.a.	Amount outstanding as at March 31, 2021		Amount outstanding as at March 31, 2020		Period of maturity w.r.t the Balance Sheet date as at March 31, 2021	Number of Installments outstanding as at March 31, 2021	Amount of each Installment (₹ In Crore)	Details of security offered
		Current (₹ In Crore)	Non Current (₹ In Crore)	Current (₹ In Crore)	Non Current (₹ In Crore)				
4) Government of India, Sugar Development Fund									
	4.75%	7.14	17.84	7.14	24.98	3 Year, 6 Months	7 Half yearly Installments	3.57	Refer note no. 19 (i) (a) (v) below
	4.75%	0	4.7	-	4.70	6 Year, 4 Months	10 Half yearly Installments	0.47	Refer note no. 19 (i) (a) (vi) below
	4.50%	1.22	1.82	1.22	3.04	2 Year, 6 Months	5 Half yearly Installments	0.61	Refer note no. 19 (i) (a) (vii) below
	4.25%	1.17	2.36	1.18	3.54	2 Year, 7 Months	6 Half yearly Installments	0.59	Refer note no. 19 (i) (a) (vii) below
	3.40%	3.84	9.6	1.92	13.44	3 Year, 6 Months	7 Half yearly Installments	1.92	Refer note no. 19 (i) (a) (viii) below
Less :- Ind AS Impact		(1.50)	(2.12)	(1.86)	(3.79)				
	Sub-Total	**11.87**	**34.20**	**9.60**	**45.91**				
Unsecured Intercorporate Deposit									
from related parties	9.50%	-	35.00	-	-	2 Years	Single Installment	35	Refer note no. 19 (i) (a) (ix) below
	Sub-Total	-	**35.00**						
Unsecured :									
Deposit - from related parties		-	8.61	2.25	5.49	From F.Y 2021-22 to F.Y 2023-24	Payable on different due dates	-	-
'- from public		0.47	16.15	2.03	5.86	From F.Y 2021-22 to F.Y 2023-24	Payable on different due dates	-	-
	Sub-Total	**0.47**	**24.76**	**4.28**	**11.35**				
	Grand-Total	**111.01**	**320.13**	**116.71**	**416.63**				

Notes forming part of the Consolidated Financial Statement

Note 19 : Financial liabilities "Borrowings" (contd)

b) Nature of Security in respect of Long Term Borrowings :

(i) Rupee term loan from PNB under the Government sponsored Scheme for Extending Soft loan to sugar mills are secured by third parri passu charge on block of fixed assets of five units of the Company and personal guarantee of promoter director's

(ii) Rupee term loan from PNB are secured by first parri passu charge on block of fixed assets of the Company and personal guarantee of promoter director's.

(iii) Rupee term loan from PNB (funded by State Government U.P.) are secured by first parri passu charge on block of fixed assets of the Company.

(iv) Rupee term loan from UCO Bank are secured by subservient charge over land and building, plant & machinery and other immovable and movable fixed assets of the Company present and future and personal guarantee of two promoter director's.

(v) Rupee term loan from Sugar Development Fund (SDF) are secured by first pari passu charge over the movable and immovable properties of DSM Sugar Rajpura, a unit of the Company, situated at Rajpura.

(vi) Rupee term loan from Sugar Development Fund (SDF) are secured by first parri passu charge over the movable and immovable properties of one of its unit i.e. DSM Sugar Rajpura, situated at Rajpura and personal guarantee of promoter director's.

(vii) Rupee term loan from Sugar Development Fund (SDF) are secured by first parri passu charge over the movable and immovable properties of one of its unit i.e. DSM Sugar Asmoli, situated at Asmoli and personal guarantee of promoter director's

(viii) Rupee term loan from Sugar Development Fund (SDF) are secured by second exclusive charge over the movable and immovable properties of one of its unit i.e. Dhampur Sugar Mills Limited, Unit- Dhampur situated at Dhampur.

(ix) Inter Corporate Deposit are secured by by way of "personal guarantee of Mr. Gaurav Goel, the Promotor of the Company.

(ix) All other term loans from banks are secured by first parri passu charge on all movable and immovable assets except book debts, stock in trade, raw material, spare parts and other current assets and are guaranteed by promoter director's.

(ii) Current borrowings

(₹ in Crore)

Particulars	As at March 31, 2021		As at March 31, 2020	
Unsecured - carried at amortised cost				
Loans repayable on demand				
Unsecured				
Deposits from public		-	0.20	0.20
Short term loans and advances :				
- from related parties	1.90		-	
- from others	1.54	3.44	-	-
Short Term Loan				
From bank				
Secured - at amortised cost				
Punjab National Bank		-	274.33	274.33
Working capital loans				
From banks				
Secured - at amortised cost				
Punjab National Bank	341.15		453.63	

Notes forming part of the Consolidated Financial Statement

Note 19 : Financial liabilities "Borrowings" (contd)

(₹ in Crore)

Particulars	As at March 31, 2021		As at March 31, 2020	
Bank of Baroda	-		-	
Central Bank of India	69.81		71.83	
District Co-operative Bank	219.59		241.10	
Prathma U P Gramin Bank (Prathma Bank merged with Sarva U P Gramin Bank)	51.67		116.10	
State Bank of India	25.02	707.24	43.63	926.29
Total		**710.68**		**1,200.82**

c) Nature of Security in respect of Short Term Borrowings :

Working Capital loans from Punjab National Bank are secured :

- by way of first parri passu charge and pledge of stocks of sugar and sugar-in-process both present and future.
- by way of first parri passu charge and hypothecation of molasses, bagasse, general stores, chemicals unit finished goods/ raw material, co-generation unit raw material, book debts etc. both present and future of the Company.
- by way of third parri passu charge on the block of fixed assets/immovable properties of the Company
- by personal guarantee of the two promoter directors of the Company

Working Capital loans from Central Bank of India are secured :

- by way of pledge of stocks of sugar and sugar-in-process both present and future on parri passu basis with other banks.
- by way of hypothecation of molasses, bagasse, general stores both present and future on parri passu basis of the Company.
- by way of first parri passu charge on the current assets of the Company
- by way of third parri passu charge on the land and buildings of the Company
- by personal guarantee of promoter directors of the Company

Working Capital loans from all District Co-operative Banks are secured :

- by way of pledge of stocks of sugar
- by personal guarantee of promoter directors of the Company

Working Capital loans from Prathma U P Gramin Bank are secured (Prathma Bank merged with Sarva U P Gramin Bank):

- by way of pledge of stocks of sugar and sugar-in-process
- by way third parri passu charge on the block of fixed assets , both present and future, of the Company
- by personal guarantee of promoter directors of the Company

Working Capital Demand loans from State Bank of India against Warehouse receipts of NBHC/Star Agri are secured :

- by way of first and exclusive charge on the stocks of sugar
- by personal guarantee of promoter directors of the Company

Notes forming part of the Consolidated Financial Statement

Note 20 : Other financial liabilities

Other current financial liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term borrowings (Refer note 19.a)	111.01	116.71
Interest accrued but not due on borrowings	2.90	1.68
Interest accrued and due on borrowings* {including ₹0.01Crore (PY ₹0.33 Crore) on interest accrued and due on unclaimed matured deposit}	0.02	3.36
Interest accrued on MSME	0.37	0.36
Other payables	0.07	0.17
Unpaid matured deposits	0.03	0.91
Employee benefits	11.39	9.34
Provision for CSR Expense	4.90	-
Unpaid liability	19.21	28.85
Security deposits	4.42	4.37
Unclaimed dividend	1.18	0.99
Carried at fair value through other comprehensive income		
Derivative liabilities	-	**11.98**
Total	**155.50**	**178.72**

* Includes interest debited by banks on loans at the close of business hours as at year end i.e. March 31 which has been repaid by the company on next working day.

Note 21 : Provisions

(i) Long term provision

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity (Refer note 45.(ii)(a))	32.80	32.38
Total	**32.80**	**32.38**

(ii) Short term provision

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits	-	-
Gratuity (Refer note 45.(ii)(a))	2.93	2.49
Others	6.11	5.14
Total	**9.04**	**7.63**

Note 22 : Deferred tax asset/ (liability)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset :		
- On account of difference in the tax base value and carrying amount of Investments/security deposits	5.94	2.51
- On account of government grants	-	0.80
- On account of temporary differences on allowablility of expenses for tax purposes	6.11	13.16
- MAT credit entitlement	155.36	176.93
	167.41	**193.40**
Deferred tax liability :		
On account of property, plant & equipment (other than land)	190.68	176.83
On account of difference in the tax base value and carrying amount of land	10.42	12.87
	201.10	189.70
Net deferred tax assets / (liabilities)	**(33.69)**	**3.70**

Note 22.1 : Movement in deferred tax liabilities/ deferred tax assets

(₹ In Crore)

Particulars	Property Plant & Equipment	Other items	MAT credit entitlement	Total
At April 01, 2019	**(216.09)**	**(0.25)**	**176.18**	**(40.16)**
(Charged)/credited:-				
-to profit & loss	39.26	(0.02)	0.75	39.99
-to other comprehensive income	-	3.92	-	3.92
-reversal of deferred tax on last year other comprehensive income	-	(0.05)		(0.05)
At March 31, 2020	**(176.83)**	**3.60**	**176.93**	**3.70**
(Charged)/credited:-				
-to profit & loss	(13.85)	5.66	(21.57)	(29.76)
-to other comprehensive income	-	(3.86)	-	(3.86)
-reversal of deferred tax on last year other comprehensive income	-	(3.77)	-	(3.77)
At March 31, 2021	**(190.68)**	**1.63**	**155.36**	**(33.69)**

Note 23 : Other liabilities

(i) Non-current liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Govt. Grants (Refer note 39)	9.21	16.64
Total	**9.21**	**16.64**

(ii) Current liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Govt. Grants (Refer note 39)	6.76	8.54
Advance from customers	6.62	5.62
Statutory dues payable	10.49	17.32
Others	0.95	1.21
Total	**24.82**	**32.69**

Notes forming part of the Consolidated Financial Statement

Note 24 : Trade payables

Current

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Carried at amortised cost		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	4.64	1.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	589.21	599.61
Total	**593.85**	**601.54**

Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Crore)

Description	As at March 31, 2021	As at March 31, 2020
a) The principal amount remaining unpaid to suppliers as at the end of accounting year	4.64	1.93
b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	0.37	0.36
c) The amount of interest paid by the company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	-	-
d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	-	-
e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	0.02	0.22
f) The amount of further interest remaining due and payable even in succeeding years	0.37	0.36

The above mentioned outstanding's are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 25 : Current tax liabilities

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax	**53.15**	**33.10**
Less: Advance tax paid	48.50	33.10
Total	**4.65**	**-**

Note 26 : Revenue from operation

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
(i) Sale of Products:		
a) Manufactured goods		
Sugar	3,041.20	2,484.54
Molasses	10.58	-
Bagasse	8.25	-
Chemicals	805.40	580.40
Power	113.91	109.99
Others	0.21	3.26
b) Traded goods		
Others	83.62	197.98
Sub-Total (i)	**4,063.17**	**3,376.17**
(ii) Other operating income		
Scrap sale	5.27	4.12
Insurance claim received	0.46	0.48
Purchase tax	0.22	8.69
Subsidy from Government (refer note 39)	158.89	128.39
Fair value gain on re-measurement of biological assets through profit and loss *	1.11	2.85
Duty drawback	1.50	0.37
Miscellaneous income	0.88	0.54
Service Charges	-	3.52
Sub-total (ii)	**168.33**	**148.96**
Total (i+ii)	**4,231.50**	**3,525.13**

* excludes fair value of self consumed sugar cane of ₹2.31 Crore (Previous Year ₹1.74 Crore)

Note 26.1 Disaggregated revenue information have been given along with segment information [Refer Note No. 46]

Note 27 : Other income

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest income		
- from financial assets carried at amortized cost	0.16	1.24
- from banks and others	1.14	0.50
Deferred Government grant (refer note no. 39)	0.38	0.38
Dividend income	0.04	0.14
Liabilities/ Provisions no longer required written back	1.31	0.94
Other non-operating income		
- Income from rent	1.29	1.19
- Profit/(Loss) on sales of fixed assets	1.48	0.02
- Sales of REC (Net)	-	12.79
- Income from consultancy services	0.10	0.04
- Profit on sale of investment	-	1.04
- Provision for impairment of investment reversed	2.00	-
- Miscellaneous income	1.06	0.69
- Foreign exchange fluctuation difference	8.51	12.11
Total	**17.47**	**31.08**

Notes forming part of the Consolidated Financial Statement

Note 28 : Cost of materials consumed

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Cost of material consumed		
- Sugar cane *	2,698.42	2,313.77
- Molasses	13.84	66.76
- Bagasse and other fuel	8.50	29.50
- Chemicals and others	87.92	54.31
Total	2,808.68	2,464.34

* excludes fair value of self consumed sugar cane of ₹2.31 Crore (Previous year ₹1.74 Crore)

Note 29 : Excise duty on sale of goods

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Excise duty on sale of goods	74.90	40.75
Total	74.90	40.75

Note 30 : Purchase of stock-in-trade

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Purchase of stock-in-trade		
- Others	84.55	202.52
Total	84.55	202.52

Note 31: Changes in inventories of finished goods & work in progress

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Closing stock: :		
Finished stock	1,197.21	1,534.50
Work-in-progress	25.03	20.43
Stock-in-trade	0.55	0.32
Total (a)	1,222.79	1,555.25
Opening stock :		
Finished stock	1,534.50	1,552.36
Work-in-progress	20.43	31.02
Stock-in-trade	0.32	19.89
Total (b)	1,555.25	1,603.27
Excise duty and others (c)	-	-
Net(Increase)/decrease in stock (b+c-a)	332.46	48.02

Notes forming part of the Consolidated Financial Statement

Note 32 : Employees benefits expense

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries and wages	130.79	125.63
Contribution to provident & other funds	10.27	9.49
Gratuity	4.68	4.22
Voluntary retirement compensation	0.46	0.58
Workmen and staff welfare expenses	0.91	0.80
Total	**147.11**	**140.72**

Note 33 : Finance costs

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest expenses on financial liabilities measured at amortize cost	83.25	114.95
Other borrowing cost	4.72	5.35
	87.97	120.30
Less : Interest capitalized during the period	-	0.12
Less : Interest subsidy claimed on Buffer Stock	8.09	19.59
Less : Interest subsidy claimed under UPSIPP 2013	-	-
Total	79.88	100.59

Note 34 : Depreciation and amortisation expenses

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation on property, plant and equipment (Refer note 4)	75.12	71.65
Depreciation on Right-of-use-assets (Refer note 4A)	2.19	4.00
Amortisation of intangible assets (Refer note 6)	0.40	0.39
Total	**77.71**	**76.04**

Note 35 : Other expense

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Consumption of stores, spares & other manufacturing expenses	56.28	51.38
Power and Fuel	4.63	8.83
Packing material expenses	37.79	31.95
Selling Expenses :		
- Commission to selling agents	8.45	6.30
- Other selling expenses	85.62	54.35
Less : Buffer stock subsidy claim agst. Insurance & handling	(1.44)	(3.39)
Repair & maintenance : -		
- Plant & machinery	45.39	35.58
- Building	4.33	3.27
- Others	4.99	3.42
Short term leases (Refer Note 2(xv))	3.13	4.08
Rates and taxes	3.08	1.39

Notes forming part of the Consolidated Financial Statement

Note 35 : Other expense (contd)

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Charity and donations	1.00	0.29
Insurance	5.34	2.82
Molasses fund	0.53	0.38
Consultancy/Retainship/Professional Fees	9.17	17.67
Payment to auditors (refer note 35.1)	0.44	0.46
CSR expenses (refer note 42)	8.32	3.52
Cane development expenses	5.36	4.95
Expenditure on crop	1.69	1.59
Balance written-off	5.06	9.70
Provision for doubtful debts	1.39	-
Director sitting fees	0.12	0.11
Loss on sale of fixed/discarded assets	5.17	0.06
Loss on material held for disposal (refer note 16)	1.64	-
Foreign exchange difference (Net)	-	0.16
Miscellaneous expenses	30.94	28.70
Total	**328.42**	**267.57**

Note 35.1

(₹ in Crore)

Payment to Auditors	For the Year ended March 31, 2021	For the Year ended March 31, 2020
- Audit fees	0.38	0.39
- Tax audit fees	0.05	0.05
- Other services	-	-
- Reimbursement of expenses	0.01	0.02
Total	0.44	0.46

Note 36 : Tax expense

A. Income tax expenses

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Current tax	56.41	31.62
Deferred tax	29.76	(39.99)
Total income tax expenses	**86.17**	**(8.37)**

(b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Profit for the year (before income tax expense)	315.26	215.66
Less : Losses/(profit) of subsidiaries on which deferred tax assets not recognised	(10.23)	(12.67)
Net Profit for tax purpose	305.03	202.99
Applicable tax rate	34.944%	34.944%

Notes forming part of the Consolidated Financial Statement

Note 36 : Tax expense (contd)

(₹ in Crore)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Computed tax expenses	**106.59**	**70.93**
Adjustments :		
Income exempt from tax purposes	(1.03)	(0.24)
Expenses not allowed for tax purposes	12.78	9.81
Deferred tax on non-depreciable assets and investment (Net)	(3.44)	(2.19)
Deduction u/s 80IA of Income Tax Act in respect of power undertaking	(32.38)	(24.98)
Tax adjustment for previous year	3.26	(4.08)
Deferred tax on change in income tax rate	-	(55.90)
Reversal of deferred tax assets in subsidiaries	-	0.01
Others	**0.39**	**(1.73)**
At the effective income tax rate of 28.25% (P.Y 22.04% except Deferred Tax on income tax rate change)	**86.17**	**(8.37)**

Note No. 36 (c)

Pursuant to Taxation Law (Amendment) Ordinance, 2019 (Ordinance), the domestic companies have option to pay corporate income tax @ 22% plus applicable surcharge and cess (New Tax Rate) subject to certain conditions w.e.f. financial year commencing from April 1, 2019 and thereafter. In the year ended March 31, 2020, the Company has made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilization of accumulated minimum alternative tax (MAT) credits. However, in accordance with accounting standard, the Company has also evaluated the outstanding deferred tax liabilities, and written back an amount to the extent of ₹55.90 Crore to the Statement of Profit and Loss. This is arising from re-measurement of deferred tax liabilities that are expected to reverse in future when the Company would migrate to the new tax regime.

Note 37 : Earnings per share (EPS)

Particulars	Details	As at March 31, 2021	As at March 31, 2020
i) Net Profit/ Loss(-) from continuing operation available to equity shareholders	(₹ In Crore)	229.32	224.92
(Used as numerator for calculating EPS)			
ii) Net Profit/ Loss(-) from discontinuing operation available to equity shareholders	(₹ In Crore)	(0.12)	(8.40)
(Used as numerator for calculating EPS)			
i) Net Profit/ Loss(-) from total operation available to equity shareholders	(₹ In Crore)	229.20	216.52
(Used as numerator for calculating EPS)			
ii) Weighted average no.of equity shares outstanding during the period:			
(Used as denominator for calculating EPS)			
- for Basic EPS	No.	6,63,87,590	6,63,87,590
- for Diluted EPS	No.	6,63,87,590	6,63,87,590

Notes forming part of the Consolidated Financial Statement

Note 37 : Earnings per share (EPS) (contd)

Particulars	Details	As at March 31, 2021	As at March 31, 2020
iii) Earning per share			
-From continuing operation			
- Basic	₹	34.54	33.88
- Diluted	₹	34.54	33.88
(Equity share of face value of ₹ 10 each)			
-From discontinuing operation			
- Basic	₹	(0.02)	(1.27)
- Diluted	₹	(0.02)	(1.27)
(Equity share of face value of ₹10 each)			
-From total operation			
- Basic	₹	34.52	32.61
- Diluted	₹	34.52	32.61
(Equity share of face value of ₹10 each)			

Note 38: Contingent Liabilities and Commitments

I Contingent liabilities and commitments : Not provided for in respect of :-

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
i) Demands being disputed by the Company :		
a) Excise duty and Service Tax demands	14.91	17.00
b) Trade Tax and Entry Tax demands	7.98	9.17
c) Other demands	20.82	23.66
d) Estimated amount of interest on above	49.42	61.14
ii) Claims against the Company not acknowledged as debts :		
a) Statutory liability being disputed by authorities	1.24	1.13
b) Income tax demand on processing of TDS returns*	-	0.01
c) Other liabilities	0.12	0.80
d) In respect of some pending cases of employees and others#	Amount not ascertainable	Amount not ascertainable

* The Company has initiated steps for revising the TDS forms to remove various defects due to which demands were raised by authorities and is confident that the demand will be substantially reduced after these rectification.

The amount shown above represents the best possible estimates arrived on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal process which have been invoked by the company or the claimants as the case may be, therefore it cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

II Capital commitment

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	68.12	9.18

Note 38: Contingent Liabilities and Commitments (contd)

III. Other Legal Matters

i) Honorable Allahabad High Court in the case of PIL Rashtriya Kisan Mazdoor Sangathan VS State of U.P. passed a final order on March 09, 2017 directing the Cane Commissioner to decide afresh the issue as to whether the Sugar Mills are entitled for waiver of interest on the delayed payment of the price of sugarcane for the seasons 2012-13, 2013-14 and 2014-15 under the provisions of Section 17(3) of the U.P. Sugarcane (Regulations of Supply and Purchase) Act, 1953 (in short 'the Act').The matter is yet to be finalised and pending before Supreme Court in SLP filed by the RKMS.

ii) Cane societies are in dispute with the State Government of Uttar Pradesh with regard to retrospective partial waiver of society commission payable by the sugar mills for the crushing seasons 2012-13,2014-15 and 2015-16. Company was the beneficiary of such waiver.The matter is yet to be finalised and pending before Supreme Court in SLP filed by the Association.

Note 39: Government Grant

(₹ in Crore)

S.No.	Particulars	Treatment in Accounts	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Revenue related Government grants:			
i (a)	MAEQ Subsidy 2019-20 from Central Government (Refer footnote a)	Shown as separate line items "Government grant" under other operating income	95.66	128.39
i (b)	MAEQ Subsidy 2020-21 from Central Government (Refer footnote a)	Shown as separate line items "Government grant" under other operating income	63.23	-
ii (a)	Buffer subsidy claim (Refer footnote b)	Interest subsidy claim deducted from "finance cost"	8.09	19.59
ii (b)	Buffer subsidy claim (Refer footnote b)	Claim agst. insurance & handling Shown as separate line item in "Other expenses"	1.44	3.39
iii	Interest subvention claim under Soft Loan (Refer note c)	Deducted from finance cost	0.16	19.04
iv	Interest subvention claim under Distillery Expansion Loan (Refer note d)	Deducted from finance cost	1.27	2.08
v	Production subsidy from Government (Refer note e)	Deducted from cost of raw material consumed	-	16.24
vi	Transport subsidy from Government (Refer note f)	Deducted from other selling expenses under other expenses schedule	-	4.41
2	Deferred Government grants:			
i	Deferred income relating to term loans on concessional rate from Sugar Development Fund	Deducted from finance cost	1.72	1.63
ii	Deferred income relating to term loans on concessional rate (Refer note g)	Deducted from finance cost	7.12	8.17
iii	Deferred income relating grant on property, plant and equipment	Shown as separate line item " Deferred Government grant" under Other income	0.38	0.38

Notes forming part of the Consolidated Financial Statement

Note 39: Government Grant (contd)

Notes :

a) The Central Government notified a scheme for providing assistance to sugar mills on export of sugar covering expenses on marketing costs including handling, upgrading and other processing costs and costs of international and internal transport and freight charges on export of sugar with a view to facilitate export of sugar thereby improving the liquidity position of sugar mills enabling them to clear cane price dues of farmers. Pursuant to the scheme, Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) allocated factory-wise Maximum Admissible Export Quantity (MAEQ) for export of sugar for the sugar seasons.

For Sugar Season 19-20

Pursuant to notification 1(14/2019-S.P.-I dated September 12, 2019, assistance @ ₹10,448 per MT on export of sugar was given, limited to MAEQ (Maximum Admissible Export Quantity), as determined by the Central Government for such mills, for the sugar season 2019-20, either themselves or through a merchant exporter. Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and submitted the claim for assistance by ₹224.04 Crore and the same has been received in full till March, 2021

For Sugar Season 20-21

Pursuant to notification 1(6/2020-S.P.-I dated December 29, 2020, assistance @ ₹6,000 per MT on export of sugar limited to MAEQ (Maximum Admissible Export Quantity) determined by the Central Government for such mills for the sugar season 2020-21 either themselves or through a merchant exporter. Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and the management is also confident that all the conditions set out in the Scheme shall be fully complied with at the time of submission of the claim. Accordingly, amounting to ₹63.23 Crore, assistance accrued under the Scheme till March 31, 2021 has been recognized during the year.

b) The Central Government, vide its Notification No. 1(6)/2018-SP-I dated June 15, 2018, notified a Scheme for creation and Maintenance of Buffer Stock of 30 Lakh MT of sugar by the Sugar Mills in the country for one year w.e.f July 1, 2018. The Company is eligible for the reimbursement of the costs incurred for Interest (maximum 12%), insurance and storage charges (@ 1.5%) of Buffer stock to be valued at ₹29 per Kg. on quarterly basis till June 30, 2019

Further the Central Government, vide its Notification No. 1(8)/2019-SP-I dated July 31, 2019, notified a Scheme for creation and Maintenance of Buffer Stock of 40 Lakh MT. of sugar by the Sugar Mills in the country for one year w.e.f August 1, 2019. The Company is eligible for the reimbursement of the costs incurred for Interest (maximum 12%), insurance and storage charges (@ 1.5%) of Buffer stock to be valued at ₹31 per Kg. on quarterly basis till July 31, 2020.

The company has created buffer stock in accordance with the scheme and recognized the eligible subsidy during the year.

c) The Central Government, vide its Notification No. 1(4)/2019-SP-I dated March 02, 2019, notified a Scheme for extending soft loan to sugar mills to facilitate payment of cane price arrears of the farmers for the sugar season 2018-19 relating to the Fair and Remunerative Price (FRP) of sugarcane fixed by Cantal Government. Every sugar mill which fulfills the condition stipulated in the scheme will be eligible for the interest subvention @ 7% simple interest or actual rate of interest charge by the bank, whichever is less for maximum of 1 year from the date of disbursement of the soft loan.

Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and submitted the claim for interest subvention. Accordingly interest subvention accrued under the Scheme till March 31, 2021 by ₹19.20 Crore and out of which ₹9.41 Crore has been received till such date.

d) The Central Government, vide its Notification No. 1(10)/2018-SP-I dated July 19, 2018, notified a Scheme with a view to increase production of ethanol by enhancing the number of working days of existing distillery in a year by installation new Incineration boilers or by adoption any other matter approved by Central Pollution Control Board (CPCB) for Zero Liquid Discharge (ZLD) in a distillery. Every Sugar Mill which fulfills the conditions stipulated in the scheme will be eligible for the interest subvention @ 6% per annum or 50% of the rate of interest charged by bank, whichever is lower, on the loans to be extended by banks, shall be borne by central Government for five years

Note 39: Government Grant (contd)

Till March 31, 2021, the Company has complied with all the conditions as stated in the scheme and submitted the claim for interest subvention. Accordingly interest subvention accrued under the Scheme till 31st March 2021 by ₹3.35 Crore and out of which 2.52 Crore has been received till March, 2021.

e) The Central Government vide its Notification No. 1(14)/2018-SP-I dated October 05, 2018 announced Scheme for Assistance to Sugar mills for Sugar season 2018-19, (Scheme) with a view to offset the Cane cost and facilitate timely payment of Cane price dues. Every sugar mill which fulfills the conditions stipulated in Scheme will be eligible for assistance at the rate of ₹13.88 per qtl. of cane crushed during sugar season 2018-19 or the proportionate inter-se allocation of estimated 3000 Lakh MT. of cane to be crushed (for sugar season 2018-19) on the basis of the average sugar production of last three sugar seasons i.e. 2015-16, 2016-17, & 2017-18, whichever is lower.

For the eligibility under the Scheme, the Sugar mills have to supply at least 80% of indented quantity of Ethanol to OMC; have to file updated online return in Proforma II as prescribed under DFPD under the provisions of Sugar Control Order 1966 and have to fully comply with all the orders/directives of DFPD during sugar season 2018-19 till the date of submission of the claim. During the FY 2019-20, the Company has complied with all the conditions as stated in the scheme and submitted the claim for assistance. Accordingly subsidy accrued under the Scheme during FY 2019-20 by ₹16.24 Crore and the same has been received in full.

f) The Central Government vide its Notification No. 1(4)/2018-SP-I dated September 28, 2018 announced Minimum Indicative Export Quota (MIEQ) under Tradeable Export Scrip Scheme and allocated quota of 123899 MT of raw/white sugar or 16.7 kg of sugar per MT of actual cane crushed during 2018-19 sugar season, whichever is lower for export to sugar mills of the company. Further, the Central Government vide its Notification No. 1(14)/2018-S.P.-I dated October 5, 2018 announced the Scheme for Defraying Expenditure towards internal transport, freight, handling, and other charges on export @ ₹3000 per MT. of sugar exported for Mills located in other than coastal states or actual expenditure, whichever is lower. The conditions stipulated under this scheme are the same as stipulated in the Scheme for Assistance to Sugar Mills as stated hereinabove and the company has submitted the claim. Accordingly subsidy accrued under the Scheme during the FY 2019-20 has been recognized by ₹4.41 Crore and the same has been received in full.

g) The State Government, with a view to improve the liquidity position of private sector sugar mills of the State enabling them to clear the cane price arrears of crushing seasons 2016-17 and 2017-18 and timely settlement of cane price as per State Advised Price (SAP) fixed by the State Government, to the sugarcane farmers, has notified the scheme, namely "Scheme for Extending Financial Assistance to Sugar Undertakings-2018" vide notification No.: 15 /2018/1719/46-3-18-3 (36-A) / 2018 dated October 16, 2018. The Company had availed the term loan in the F.Y 2018-19 under the Scheme, wherein, the government grant has been received in form of Subsidized rate of interest.

h) The Company was eligible for various incentives under U.P. Sugar Incentive Promotion Policy, 2004 (the scheme) which was subsequently withdrawn by the State Government. Petition filed by the Company, The Hon'ble Allahabad High Court vide order dated February 12, 2019 has set aside and quashed the policy withdrawal order and directed the State government to give the benefits under the scheme after examination of incentive claims filed by the respective units. The Company is in the process of filing its claim under the Scheme

Note 40: Details of Loans given, inter corporate deposit, Investments made and Guarantee given covered U/s 186(4) of the Companies Act, 2013

Details of loans and advances given; investment made; guarantee given and security provided as required to be disclosed as per provision of section 186(4) of Companies Act, 2013 have been disclosed under the respective notes.

Note: 41

In the opinion of the Board, current assets and loans and advances have realisable value in the ordinary course of business at least equal to the value at which they are stated in the balance sheet.

Notes forming part of the Consolidated Financial Statement

Note 42: Corporate Social Responsibility (CSR)

i. Details of Corporate Social Responsibility (CSR) expenditure

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the Year ended March 31, 2020
a) As per section 135 of the Companies Act, 2013 read with Schedule VII thereof Gross amount required to be spent by the company	8.32	5.69
b) Amount spent during the year :		
-- Construction/acquisition of any assets		
- in cash	1.04	1.80
- yet to be paid in cash	4.90	-
-- On purpose other than (i) above		
- in cash	2.38	1.72
- yet to be paid in cash	-	-

ii. Details of Unspent balance

(₹ in Crore)

Particulars	For the year ended March 31, 2021	For the Year ended March 31, 2020
Opening balance of Unspent amount	3.42	1.25
Closing balance of Unspent amount	4.90	3.42

iii. The Various heads which the CSR expenditure were incurred in cash is detailed as follows :-

(₹ in Crore)

Particulars	Relevant clause of Schedule VII to the Companies Act, 2013	For the year ended March 31, 2021	For the Year ended March 31, 2020
(i) Eradicating Hunger and Poverty, Health Care and Sanitation	Clause (i)	0.90	0.85
(ii) Education and Skill Development	Clause (ii)	7.23	2.49
(iii) Empowerment of Women and other Economically Backward Sections	Clause (iii)	0.19	0.17
(iv) Art & Culture	Clause (v)	-	-
(v) Sports	Clause (vii)	-	0.01
(vi) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government	Clause (ix)	-	-

Note 43 : Related Party Disclosures:

A. List of Related Parties with whom transactions have taken place and relationships:

I) a.) Key Management Personnel (KMP)	1 Mr.Vijay Kumar Goel, Chairman
	2 Mr. Ashok Kumar Goel, Vice Chairman
	3 Mr. Gaurav Goel, Managing Director
	4 Mr. Gautam Goel, Managing Director
	5 Mr. Sandeep Sharma, Chief Operating Officer & Director
	6 Mr. Nalin Gupta, Joint Chief Financial Officer
	7 Mr. Susheel Mehrotra, Chief Financial Officer (w.e.f. February 02, 2021)
	8 Mrs Aparna Goel, Company Secretary
	9 Mr. Priya Brat, Independent Director
	10 Mr. M. P. Mehrotra, Independent Director
	11 Mr. Harish Saluja, Independent Director (ceased w.e.f. 02, September,2020)
	12 Mr. Ashwani Kumar Gupta, Independent Director
	13 Ms Nandita Chaturvedi, Independent Director
	14 Mr. Rahul Bedi, Independent Director (ceased w.e.f. 02, September,2020)
	15 Mr. Satpal Kumar Arora, Independent Director (w.e.f. July 30, 2020)
	16 Mr. Yashwardhan Poddar, Independent Director (w.e.f. July 30, 2020)
b.) Dhampur International Pte Limited	1 Mr. Gautam Goel
	2 Siti Dayana Binte Muhammad Zalmisham,(ceased w.e.f. November 25, 2020) (ceased w.e.f. November 25, 2020)
	3 Mr. Gaurav Goel, Managing Director
	4 Mr. Brijesh Panday (w.e.f. December 10, 2020)
c.) Dhampur Bio Organics Limited (Formerly Known as RMSD Enterprises Private Limited)	1. Mr. Mukul Sharma
	2. Mr. Nalin Kumar Gupta
	3. Mr. Vijay Kumar Goel
d.) Ehaat Limited	1. Mr. Kishor Shah
	2. Mr. Sanjiv Kumar Bhatnagar
	3. Mr. Vineet Kumar Gupta
e.) DETS Limited	1. Mr. Mukul Sharma
	2. Mr. Arvind Kumar Singhal
	3. Mr. Vineet Kumar Gupta
II) Close member of Key Management Personnel	1. Mrs. Deepa Goel (Relative of Mr. Vijay Kumar Goel)
	2. Mrs. Vinita Goel (Relative of Mr. Ashok Kumar Goel)
	3. Mrs. Priyanjali Goel, Ms. Ishira Goel (Relatives of Mr. Gaurav Goel)
	4. Mrs Bindu Vashist Goel (Relative of Mr. Gautam Goel)
	5. Mrs Poonam Sharma, Mr. Rahul Sharma, Ms. Sona Sharma (Relative of Mr. Sandeep Sharma)
	6. Mrs Rakhi Gupta, Mr. Sidharth Gupta, Mr. Sanjay Gupta (Relative of Mr. Nalin Gupta)
	7. Mrs Namita Gupta (Relative of Mr. Ashwani Kumar Gupta)
	8. Master Advay Goel (Relative of Mrs Aparna Goel)
	9. Mrs Shakuntala Brat & Ms. Anu Mahendru (Relative of Mr. Priya Brat)
	10. Mr Mayank Goel (Relative of Mrs Aparna Goel)
	11. Mrs Shubra Agarwal (Relative of Mr. Vijay Kumar Goel)

Notes forming part of the Consolidated Financial Statement

Note 43 : Related Party Disclosures: (contd)

III) Enterprises which have significant influence and also owned or significantly influenced by Key Management Personnel	1	Goel investments Limited
	2	Ujjwal Rural Services Limited
	3	Saraswati Properties Limited
	4	Gaurav Goel, H.U.F
	5	Gautam Goel, H.U.F
	6	Nalin Kumar Gupta (HUF)
	7	Sandeep Sharma (HUF)
	8	Dhampur Sugar Mill Provident Fund
	9	Pushp Niketan School Samiti
	10	Academy of Modern Learning Turst
	11	Shudh Edible Products Limited
	12	Sonitron Limited
	13	Venus India Asset-Finance Pvt. Ltd.
	14	Amara Capital Private Limited

B. Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on 31st March, 2021

(₹ In Crore)

Sr #	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	Transactions during year ended 31.03.2021		
1	**Loans taken/(repayment)**	**35.00**	**(2.50)**
	Goel Investment Limited	15.00	-
	Venus India Asset-Finance Pvt. Ltd.	20.00	-
	Amara Capital Private Limited		(2.50)
2	**Unsecured Deposits Taken (Fixed Deposit)**	**5.26**	**5.25**
	Mr. Ashok Kumar Goel	-	1.43
	Mr Ashwani Kumar Gupta	1.00	-
	Mr. Sandeep Sharma	0.07	-
	Relative of KMP	4.19	3.82
3	**Unsecured Deposits Matured (Fixed Deposit)**	**2.49**	**4.38**
	Mr. Ashok Kumar Goel	-	1.09
	Sandeep Sharma (HUF)	-	0.05
	Mr. Priya Brat	-	0.24
	V.K. Goel (HUF)	-	0.15
	A.K. Goel (HUF)	-	0.17
	Gaurav Goel (HUF)	-	0.17
	Gautam Goel (HUF)	0.17	-
	Relative of KMP	2.32	2.51
4	**Rent paid**	**5.04**	**4.50**
	Goel Investment Limited	0.12	0.12
	Saraswati Properties Limited	2.52	1.96
	Shudh Edible Products Limited	2.40	2.40
	Ujjwal Rural Services Limited	-	0.02
5	**Remuneration (including Commission)**	**20.29**	**20.01**
	Mr. Vijay Kumar Goel	4.00	3.88
	Mr. Ashok Kumar Goel	4.00	3.88
	Mr. Gaurav Goel	4.00	3.88

Notes forming part of the Consolidated Financial Statement

Note 43 : Related Party Disclosures: (contd)

(₹ In Crore)

Sr #	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
	Mr. Gautam Goel	6.11	5.92
	Mr. Sandeep Sharma	0.82	0.74
	Mr. Nalin Gupta	0.28	0.24
	Mr. Susheel Mehrotra	0.19	-
	Mrs Aparna Goel	0.16	0.13
	Mr. Siti Dayana Binte Muhammad Zalmisham	0.59	0.79
	Relative of KMP	0.14	0.55
6	**Sitting fees to Directors**	**0.12**	**0.11**
7	**Commission to Independent Directors**	**0.18**	**0.30**
	Mr.M.P. Mehrotra	0.03	0.05
	Ms.Nandita Chaturvedi	0.03	0.05
	Mr.Ashwani Kumar Gupta	0.03	0.05
	Mr.Harish Saluja	0.03	0.05
	Mr.Priya Brat	0.03	0.05
	Mr.Rahul Bedi	0.03	0.05
8	**Directors Perquisites**	**0.85**	**0.78**
	Mr. Vijay Kumar Goel	0.32	0.20
	Mr. Ashok Kumar Goel	0.20	0.18
	Mr. Gaurav Goel	0.20	0.18
	Mr. Gautam Goel	0.00	0.13
	Mr. Sandeep Sharma	0.13	0.09
9	**Interest expense**	**0.94**	**1.43**
	Mr. Ashok Kumar Goel	0.14	0.14
	Mr. Priya Brat	-	0.02
	V.K. Goel (HUF)	-	0.02
	A.K. Goel (HUF)	-	0.02
	Gaurav Goel (HUF)	-	0.02
	Gautam Goel (HUF)	-	0.02
	Sandeep Sharma (HUF)	-	0.01
	Mr Ashwani Kumar Gupta	0.07	-
	Mr. Sandeep Sharma	##	-
	Goel Investment Ltd.	##	-
	Venus India Asset-Finance Pvt. Ltd.	0.01	-
	Relative of KMP	0.72	0.75
	Amara Capital Private Limited	-	0.43
10	**Expenses against rembursement (Net)**	**0.10**	**0.31**
	Pushp Niketan School Samiti	0.10	0.31
11	**Contribution to Defined Contributions Plan**	**6.38**	**6.02**
	Dhampur Sugar Mill Provident Fund	6.38	6.02
12	**Corporate Social Responsibilities**	**2.29**	**2.49**
	Academy of Modern Learing Trust	2.15	1.24
	Pushp Niketan School Samiti	0.14	1.25
13	**Security Deposits Given**	**-**	**0.15**
	Saraswati Properties Limited	-	0.15

Notes forming part of the Consolidated Financial Statement

Note 43 : Related Party Disclosures: (contd)

(₹ In Crore)

Sr #	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
14	**Land Purchase**	**1.75**	**-**
	Goel Investment Limited	1.75	-

Amount due to/ from Related Parties:

(₹ In Crore)

Sr #	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Deposits from Related Parties**	**10.51**	**7.74**
	Mr. Ashok Kumar Goel	1.43	1.44
	Mr Ashwani Kumar Gupta	1.00	
	Mr. Sandeep Sharma	0.07	
	Gautam Goel (HUF)	-	0.17
	Relative of KMP	8.01	6.13
2	**Payables**	**4.09**	**0.89**
	Goel Investment Limited	0.14	0.02
	Saraswati Properties Limited	0.81	0.04
	Shudh Edible Products Limited	1.82	0.36
	Ujjwal Rural Services Limited	0.02	0.03
	Mr. Ashok Kumar Goel	0.66	0.05
	Mr. Gaurav Goel	0.22	0.16
	Mr. Gautam Goel	0.31	0.22
	Mr. Vijay Kumar Goel	0.11	0.01
3	**Security Deposits Receivables**	**2.06**	**1.86**
	Goel Investment Limited	0.50	0.50
	Saraswati Properties Limited	1.05	1.05
	Shudh Edible Products Limited	1.20	1.20
	Ujjwal Rural Services Limited	0.05	0.05
	IndAS Impact	(0.74)	(0.94)
4	**Expenses Recoverable (Net)**	**0.67**	**0.57**
	Pushp Niketan School Samiti	0.67	0.57

*Key Managerial person

(₹ in Crore)

Particulars	2020-21	2019-20
Short term benefits	20.29	20.01
Defined Contribution Plan	0.02	0.02
Defined Benefit Plan	0.69	0.72
Total	**21.00**	**20.75**

Short term benefits Including bonus, sitting fee, commission on accrual basis and value of perquisites.

Reperesent amount below ₹50000/-

* As the liability for gratuity is provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

C. Terms and Conditions and Settlement

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances at the year end are un-secured and settlement occurs in cash

Note 44: Disclosure as required by Ind AS 108- Operating Segments

a. Identification of Segments

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board of Directors (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'). The Chief Operational Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by Business Segment. Segment performance is evaluated based on their revenue growth, operating income and return on capital employeed. Operating Segments have been identified by the management and reported taking into account, the nature of products and services, the differing risks and returns, the organization structure, and the internal financial reporting systems.

b. Operating Segments

The Company is organized into four main business segments, namely:

- Sugar which consists of manufacture and sale of Sugar and its byproducts and,
- Chemicals/Distillery which consists of manufacture and sale of RS, SDS, ENA, Ethanol, Ethyl Acetate, IMFL, sanatizer etc.
- Power which consists of co-generation and sale of power
- Others which consists of sale of petrol and agricultural products and trading businees of subsidiary companies

No operating segments have been aggregated in arriving at the reportable segments of the Group.

c. Geographical segments

Since the Group's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

Segment Accounting Policies: In addition to the significant accounting policies applicable to the operating segments as set out in note 2, the accounting policies in relation to segment accounting are as under:

d. Segment revenue and results:

Revenue and expenses directly attributable to segments are reported under each reportable segment.Other expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenses (net of unallocated income).

e. Segment assets and liabilities:

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Unallocated assets include deferred tax, investments, interest bearing deposits loans to subsidiary and income tax refund. Unallocated liabilities include interest bearing liabilities, tax provisions and deferred tax. Capital expenditure pertains to additions made to fixed assets during the year and includes capital work in progress.

f. Inter segment sales/transfer:

Transactions between segments are primarily for materials which are transferred at cost /market determined prices. These transactions are eliminated in consolidation.

A. Summary of Segmental Information

(₹ In Crore)

Particulars	Sugar	Chemicals	Power	Others	Total
1. Segment revenue (including excise duty)					
a) External sales	3,245.54	843.12	108.71	34.13	4,231.50
Previous year (March 31, 2020)	2,635.94	630.99	105.98	152.22	3,525.13
b) Inter segment sales	477.95	1.43	262.80	74.70	816.88
Previous year (March 31, 2020)	352.85	1.09	257.72	23.30	634.96
c) Total revenue	3,723.49	844.54	371.51	108.84	5,048.38
Previous year (March 31, 2020)	2,988.79	632.07	363.70	175.53	4,160.09

Notes forming part of the Consolidated Financial Statement

Note 44: Disclosure as required by Ind AS 108- Operating Segments (contd)

(₹ In Crore)

Particulars	Sugar	Chemicals	Power	Others	Total
2. Segment results					
(Profit(+)/Loss(-) before tax and Interest from each segment)	120.62	199.82	122.21	(4.01)	438.64
Previous year (March 31, 2020)	126.68	130.59	115.75	(2.95)	370.07
Less : Finance costs					79.88
Previous year (March 31, 2020)					100.59
Less/ Add :Other unallocable expense/income					
net off unallocable income/expenses					43.50
Previous year (March 31, 2020)					53.82
Net Profit(+)/loss(-) before tax					315.26
Previous year (March 31, 2020)					215.66
Less: Tax expense (Net)					86.17
Previous year (March 31, 2020)					(8.37)
Net Profit after tax (Before adjustment of minority interest)					229.09
Previous year (March 31, 2020)					224.03
Share of profit/loss of non-controlling Interest					0.23
Previous year (March 31, 2020)					0.89
Pre-acquisition profit of the subsidiary company					-
Previous year (March 31, 2020)					-
Net profit after tax (after adjustment of minority interest)					229.32
Previous year (March 31, 2020)					224.92
3. Other information					
a) Segment assets *	2,352.02	429.37	626.92	22.70	3,431.01
Previous year (March 31, 2020)	2,718.80	369.03	671.71	34.67	3,794.21
Unallocable corporate assets					39.80
Previous year (March 31, 2020)					74.93
Total assets					3,470.81
Previous year (March 31, 2020)					3,869.14
b) Segment liabilities**	633.77	38.47	9.43	0.46	682.13
Previous year (March 31, 2020)	635.10	26.23	10.26	42.21	713.80
Unallocable corporate liabilities					1228.62
Previous year (March 31, 2020)					1793.44
Total liabilities					1,910.75
Previous year (March 31, 2020)					2,507.24
c) Capital expenditure	41.67	20.65	11.65	0.06	74.03
Previous year (March 31, 2020)	37.61	30.93	0.51	0.06	69.11
d) Depreciation	39.01	20.14	17.90	0.66	77.71
Previous year (March 31, 2020)	38.87	18.05	18.39	0.73	76.04
e) Non cash expenditure other than depreciation	1.71	5.83	1.69	0.05	9.28
Previous year (March 31, 2020)	0.45	8.54	-	0.09	9.08

* Segment Assets-Others includes 2.01 Crore from discontinued operations

** Segment Liabilities-Others includes 2.18 Crore from discontinued operations

Note 44: Disclosure as required by Ind AS 108- Operating Segments (contd)

B. Geographical segments:

Segment revenue & non current assets by location:

(₹ in Crore)

Particulars	Period	India	Outside India	Total
External revenue	2020-21	3,796.63	434.87	4,231.50
	2019-20	3,183.08	342.05	3,525.13
Non current assets	March 31, 2021	1,657.46	2.17	1,659.63
(other than financial assets)	March 31, 2020	1,668.07	2.75	1,670.82

C. Information about major customer

Number of customers individually accounted for more than 10% of the revenue in the year ended March 31,2021 - NIL (Previous year - NIL)

Note 45: Employees benefits

The required disclosures of employees benefits as per Indian Accounting Standard (Ind AS) -19 are given hereunder :-

(i) Defined contribution plan :

Details of contribution to defined contribution plan to Regional Provident Commissioner and the Central Provident Fund recognised as expense during the period are as under :

(₹ In Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Employer's Contribution to Provident Fund :	4.15	3.49
Employer's Contribution to Pension Fund :	3.64	3.52

(ii) Defined benefit plan :

(a) In respect of non funded defined benefit scheme of gratuity (Based on actuarial valuation) :

The gratuity plan is governed by the payment of Gratuity Act,1972. Under the said Act an employee who has completed five years of services is entitled to specific benefit. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Salary escalation risk : The present value of the defined benefit plan is calculated with the assumption of salary increase 0.50% per annum of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Actual mortality & disability : deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Notes forming part of the Consolidated Financial Statement

Note 45: Employees benefits (contd)

The following tables summaries the components of net benefit expense recognised in the statement of Profit and Loss.

a) Details of Non funded post retirement plans are as follows:

I. Expenses recognised in the statement of profit and loss:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	1.88	1.82
Past service cost	-	-
Net interest on the net defined benefit liability	2.41	2.40
Curtailment/settlement	-	-
Expense recognised in the statement of profit and loss	4.29	4.22

II. Other comprehensive income

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial gain / (loss) arising from:		
. Change in financial assumptions	-	(1.79)
. Change in experience adjustments	0.30	(0.44)
Components of defined benefit costs recognised in other comprehensive income	0.30	(2.23)

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit & loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

III. Change in present value of defined benefit obligation:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation at the beginning of the year	34.87	31.42
Interest expense/income	2.41	2.39
Past service cost	-	-
Current service cost	1.88	1.82
Benefits paid	(3.13)	(2.99)
Actuarial (gain)/ loss arising from:		
. Change in financial assumptions	-	1.79
. Change in experience adjustment	(0.30)	0.44
Present value of defined obligation at the end of the year	35.73	34.87

IV. Net liability recognised in the Balance Sheet as at the year end:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	35.73	34.87
Funded status (surplus / (Deficit))	(35.73)	(34.87)
Net liability recoginsed in balance sheet	**35.73**	**34.87**
Current liability (Short term)	2.93	2.49
Non- current liability (long term)	32.80	32.38

Note 45: Employees benefits (contd)

V. Actuarial assumptions:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)%	6.90%	6.90%
Expected rate of salary increase %	5.00%	5.00%
Retirement / superannuation Age (year)	60	60
Mortality rates	100% of IALM (2012-14)	100% of IALM (2012-14)

VI. Maturity profile of defined benefit obligation:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Expected cash flows (valued on undiscounted basis):		
With in 0 to 1 Year	2.93	2.49
With in 1 to 2 Year	2.82	3.62
With in 2 to 3 Year	2.89	2.57
With in 3 to 4 Year	2.89	2.81
With in 4 to 5 Year	2.59	2.56
With in 5 to 6 Year	2.39	2.21
6 Year onwards	19.22	18.61
Total expected payments	35.73	34.87
The average duration of the defined benefit plan obligation at the end of the balance sheet date(in years)	11.05	11.63

VII. Sensitivity analysis on present value of defined benefit obligations:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
a) Discount rates		
0.50% increases	(1.42)	(1.21)
0.50% decreases	0.59	1.29
b) Salary growth rate :		
0.50% increases	1.52	1.30
0.50% decreases	(1.46)	(1.24)

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring as at the balance sheet date.

All sensitives are calculated using the same actuarial method as for the disclosed present value of the defined benefits obligation at year end.

Notes forming part of the Consolidated Financial Statement

Note 45: Employees benefits (contd)

The history of experience adjustments for non-funded retirement plans are as follows :

(₹ in Crore)

Particulars	Gratuity (Non funded)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Present value of obligation as at the end of the year	35.73	34.87	31.41	30.04	27.49
Fair value of plan assets as at the end of the year	0.00	0.00	0.00	0.00	0.00
Net asset/(liability) recognized in the balance sheet	(35.73)	(34.87)	(31.41)	(30.04)	(27.49)
Net actuarial (gain)/loss recognized	0.30	(2.23)	0.01	0.64	3.57

b) In respect of funded defined contribution scheme of provident fund (Based on actuarial valuation) :

The Company's contribution to defined benefit plan to the irrecoverable trust, set up by the Company aggregating to ₹6.38 Crore (P. Y. ₹6.02 Crore) has been recognised in statement of profit and loss account. The Company is under obligation to mark-up any short fall in the fund.

The following table sets out the status of Provident Fund as per the actuarial valuation by the independent Actuary appointed by the Company:

A) Change in the present value of the defined contribution obligation:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Opening defined contribution obligation at beginning of the year	73.05	66.92
Current service cost	2.48	2.48
Adjustment in defined contribution obligation in opening balance	0.23	0.55
Interest cost	5.55	5.12
Employee contribution	4.59	4.75
Actuarial (Gain)/loss	(0.13)	0.14
Benefits paid	(16.18)	(6.91)
Closing defined contribution obligation at end of the year	**69.59**	**73.05**

B) Change in plan assets:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Opening fair value of plan assets as at beginning of the year	76.52	68.38
Adjustment in fair value of plan assets in opening balance	(0.73)	1.05
Expected return on plan assets	5.53	6.77
Contributions	7.08	7.23
Benefits paid	(16.18)	(6.91)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets as at end of the year	**72.22**	**76.52**

Note 45: Employees benefits (contd)

C) Reconciliation of present value of the obligation and fair value of the plan assets:

(₹ in Crore)

	As at March 31, 2021	For the year ended March 31, 2020
Present value of funded obligation at end of the year	69.59	73.05
Fair value of plan assets at end of the year	72.22	76.52
Deficit/(surplus)	**(2.63)**	**(3.47)**
Net asset not recognised in balance sheet	**(2.63)**	**(3.47)**

D) Net cost recognised in the profit and loss account:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Current service cost	2.48	2.48
Interest cost	5.55	5.12
Expected return on plan assets	5.53	6.77
Interest shortfall reversed	0.02	(1.65)
Total costs of defined benefit plans included in "Payments to and provisions for employees"	**2.48**	**2.48**

E) Principal actuarial assumptions:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
(i) Economic assumptions		
(a) Expected statutory interest rate	8.50%	8.50%
(b) Expected short fall in interest earnings on the fund	0.05%	0.05%
(ii) Demographic assumptions		
(a) Mortality	IALM (2012-14)	IALM (2012-14)
(b) Disability	None	None
(c) Withdrawal rate (Age related)		
Up to 30 years	3.00%	3.00%
Between 31 - 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%
(d) Normal retirement age (in years)	60	60

The history of experience adjustments for funded retirement plans are as follows :

(₹ in Crore)

Particulars	Gratuity (Non funded)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Present value of obligation as at the end of the year	69.59	73.05	66.92	63.92	59.73
Fair value of plan assets as at the end of the year	72.22	76.52	68.38	64.84	61.09
Deficit/(Surplus)	(2.63)	(3.47)	(1.46)	(0.92)	(1.36)
Surplus not recognised in balance sheet	(2.63)	(3.47)	(1.46)	(0.92)	(1.36)

Notes forming part of the Consolidated Financial Statement

Note 46 : Financial instruments - Accounting, classification and fair value measurement

Financial instruments by category

The criteria for recognition of financial instruments is explained in accounting policies for Company

Method and assumptions used to estimate fair values:

1. Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term nature of these instruments.
2. Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (non-current) consists of interest accrued but not due on deposits, Loans (non-current) consists of deposits given where the fair value is considered based on the discounted cash flow.
3. The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies and interest rate curves.

(₹ In Crore)

Particulars	Level	Carrying Value as of		Fair Value as of	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial Assets					
Fair value through OCI					
Derivative Assets					
- Foreign Currency Forward Contract	Level 2	1.52	-	1.52	-
Investments in equity instruments	Level 1	2.60	2.34	2.60	2.34
Amortised cost					
Investments	Level 3	-	-	-	-
Trade receivables	Level 3	296.68	343.21	296.68	343.21
Loans	Level 3	10.88	12.17	10.88	12.17
Cash and Bank Balances	Level 3	80.16	16.37	80.16	16.37
Others Financial Assets	Level 3	3.36	1.89	3.36	1.89
Total Financial Assets		**395.20**	**375.98**	**395.20**	**375.98**
Financial Liabilities					
Fair value through OCI					
Derivative Liabilities					
- Foreign Currency Forward Contract	Level 2	-	11.98	-	11.98
Amortised cost					
Borrowings	Level 3	1,141.82	1,734.16	1,141.82	1,734.16
Trade payables	Level 3	593.85	601.54	593.85	601.54
Lease Liabilities	Level 3	16.24	18.01	16.24	18.01
Other Financial Liabilities	Level 3	44.49	50.03	44.49	50.03
Total Financial Liabilities		**1,796.40**	**2,415.72**	**1,796.40**	**2,415.72**

Fair Value Hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

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

Note 46 : Financial instruments - Accounting, classification and fair value measurement (contd)

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Company has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations.

Note 47 : Financial risk management

The Group's activities are exposed to market risk, credit risk and liquidity risk. The Company principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company principal financial asset includes loan , trade and other receivables, and cash and other financial assets that arise directly from its operations.

The Group's activities are exposed to market risk, credit risk and liquidity risk.

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure, and inventories.

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As the Group does not have exposure to any floating-interest bearing assets, or any significant long-term fixed interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Group interest rate risk arises mainly from borrowings obligations with floating interest rates.

Interest rate sensitivity of borrowings

The impact of the interest rate sensitivity, 0.5% increase or decrease, on profit before tax is given in the table below:

(₹ In Crore)

Particulars	As at 31-03-2021	As at 31-03-2020
Fixed interest rate borrowing	109.74	55.51
Variable interest rate borrowing	1,032.08	1,678.65
Total	**1,141.82**	**1,734.16**
Loss due to increase in 0.5% Interest Rate on Variable interest Borrowing	(5.16)	(8.39)
Profit due to decrease in 0.5% Interest Rate on Variable interest Borrowing	5.16	8.39

Notes forming part of the Consolidated Financial Statement

Note 47 : Financial risk management (contd)

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.a) The Group used foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments. The use of foreign currency forward contracts is governed by the Group strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Group Risk Management.The outstanding forward exchange contracts entered into by the company at the year end and thereafter disclosed.

(₹ In Crore)

Foreign currency exposure as at March 31, 2021	As at March 31, 2021	
	₹ equivalent to Foreign Currency	
	EURO	USD
Trade Receivables	-	-
Loan/Trade Payables	-	-
Hedged Portion	-	-
Net Exposure to foreign currency risk (assets/liabilities)	-	-

(₹ In Crore)

Foreign currency exposure as at March 31, 2020	As at March 31, 2020	
	₹ equivalent to Foreign Currency	
	EURO	USD
Trade Receivables	-	70.64
Loan/Trade Payables	-	-
Hedged Portion	-	70.64
Net Exposure to foreign currency risk (assets/liabilities)	-	-

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have following impact of profit :-

(₹ In Crore)

Paticulars	Increase / Decrease	₹ equivalent to Foreign Currency		
		EURO	USD	Total
As at 31-03-2021				
Net Exposure to foreign currency risk gain/(loss)	5%	-	-	-
	-5%	-	-	-
As at 31-03-2020				
Net Exposure to foreign currency risk gain/(loss)	5%	-	-	-
	-5%	-	-	-

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace.

Note 47 : Financial risk management (contd)

Impact of Hedging Activities

(a) Disclosure of effects of Hedge Accounting on Financial Position

March 31, 2021 (₹ In Crore)

Type of Hedge Risks	Nominal Value of Hedged Instruments *		Carrying Amount of Hedging Instrument #		Hedge Maturity	Hedge Ratio	Changes in Fair Value of Hedging Instrument	Changes in Value of Hedged Item used as the basis for recognising hedge effectiveness
	Asset	Liabilities	Asset	Liabilities				
Cash Flow Hedge								
Foreign exchange risk								
(i) Foreign Exchange Forward Contracts	93.35		91.88		Oct-2020 to May-2021	1:1	(1.47)	1.47

March 31, 2020 (₹ In Crore)

Type of Hedge Risks	Nominal Value of Hedged Instruments *		Carrying Amount of Hedging Instrument #		Hedge Maturity	Hedge Ratio	Changes in Fair Value of Hedging Instrument	Changes in Value of Hedged Item used as the basis for recognising hedge effectiveness
	Asset	Liabilities	Asset	Liabilities				
Foreign exchange risk								
(i) Foreign Exchange Forward Contracts	263.07	-	278.35	-	Oct-2019 to May-2020	1:1	15.28	(15.28)

* Nominal value is the INR value of the instrument based on spot rate of the first hedge.

** Carrying value is the INR value of the instrument based on the spot rate of the reporting date

Notes forming part of the Consolidated Financial Statement

Note 47 : Financial risk management (contd)

(b) Disclosure of effect of hedge accounting on financial performance

Movement in cash flow hedging reserve

(₹ In Crore)

Risk Category	Foreign Currency Risk Foreign Exchange Forward Contract	
Derivative Insrument	As at March 31, 2021	As at March 31, 2020
Cash Flow Hedge Reserve		
Opening Balance	(5.72)	(0.08)
Gain/(loss) recognised in other comprehensive income during the year	4.58	(8.79)
Amount reclassified to Profit and loss during the year	5.72	0.08
Tax impact of above	(3.60)	3.07
Closing Balance	**0.98**	**(5.72)**

(c) Regulatory risk

“Sugar industry is regulated both by Central Government as well as State Government. Central and State Governments policies and regulations affects the Sugar industry and the Group operations and profitability. Distillery business is also dependent on the Government policy.

(d) Commodity price risk

Sugar industry being cyclical in nature, realisations get adversly affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Group has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

II. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's sugar sales are mostly on cash. Power and ethanol are sold to state government entities, thereby the credit default risk is significantly mitigated.

The impairment for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on The Group's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

The Group major exposure of credit risk is from trade receivables, which are unsecured and derived from external customers.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

(₹ In Crore)

Ageing	Carrying Value	Less than 6 months	More than 6 months	Total
As at March 31, 2020				
Gross Carrying Amount	343.21	273.72	69.49	343.21
Expected Credit Loss	-	-	-	-
Carrying Amount (net of impairment)	343.21	273.72	69.49	343.21
As at March 31, 2021				
Gross Carrying Amount	297.18	254.66	42.52	297.18
Expected Credit Loss	0.50	-	0.50	0.50
Carrying Amount (net of impairment)	296.68	254.66	42.02	296.68

Note 47 : Financial risk management (contd)

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. In case of probability of non collection, default rate is 100%. However, there is no material expected credit loss based on the past experience.

The changes in loss allowance for trade receivables is as under :-

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Opening Balance	0.00	6.00
Provided during the year	0.50	0.00
Reversed during the year	0.00	-6.00
Closing Balance	0.50	0.00

There is no change in the loss allowances measured using expected credit loss model (ECL).The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

III. Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities and short term loans.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ In Crore)

As at March 31, 2021	Carrying Amount	Less than One Year	More than one year and less than five year	More than 5 Years	Total
Borrowings including current maturities	1,141.82	0.47	1,139.94	1.41	1,141.82
Trade payables	593.85	593.85	-	-	593.85
Lease Liabilities	16.24	5.17	11.07	-	16.24
Other Liabilities	44.49	44.49	-	-	44.49
Total	1,796.40	643.98	1,151.01	1.41	1,796.40

(₹ In Crore)

As at March 31, 2020	Carrying Amount	Less than One Year	More than one year and less than five year	More than 5 Years	Total
Borrowings including current maturities	1,734.16	4.28	1,706.63	23.25	1,734.16
Trade payables	601.54	601.54	-	-	601.54
Lease Liabilities	18.01	4.78	13.23	-	18.01
Other Liabilities	62.01	62.01	-	-	62.01
Total	2,415.72	672.61	1,719.86	23.25	2,415.72

Notes forming part of the Consolidated Financial Statement

Note 48 : Capital management

(a) Risk management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Group. The Group's capital management is intended to maximize the return to shareholders for meeting the long-term and short-term goals of the Group through the optimization of the debt and equity balance.

The Group manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective , the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Group has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Group's Capital Management is to maximize the shareholder's value. Management also monitors the return on capital. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position. However, sugar being a seasonal industry, it is very highly capital and working capital intensive, therefore required to raise need based short term and long term debt for smooth running of the operations.

The Company monitors capital using a gearing ratio calculated as below:

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Debt	1,141.82	1,734.16
Less: cash and cash equivalents & bank balances	72.41	9.86
Net debt	1,069.41	1,724.30
Equity	1,560.06	1,361.67
Gearing Ratio { net debt / (equity + net debt)}	41%	56%

No changes were made in the objectives , policies or processes for managing capital during the year ended March 31, 2021 and March 31, 2020.

(b) Dividends

(₹ in Crore)

	Recognized in the year ending	
	For the year ended March 31, 2021	For the year ended March 31, 2020
(i) Dividends Recognized		
Final dividend for the year ended March 31, 2020 of ₹ Nil/- per equity share		
(March 31, 2019 ₹3/- per equity share)	-	19.92
Interim dividend for the year ended March 31, 2021 of ₹6/- per equity share	39.83	39.83
(March 31, 2020 ₹6/- per equity share)		
(ii) Dividend proposed but not recognized in the books of accounts*		
In addition to the above dividends, for the year ended March 31, 2021 the directors have recommended the payment of a final dividend of ₹ NIL /-equity share.	-	-
(March 31, 2020 ₹ Nil/- per equity share)		

Notes forming part of the Consolidated Financial Statement

Note 49 : Interest in Subsidiaries Companies

The Group's subsidiaries at March 31, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration and principal place of business is mentioned as below:-

Particulars	Year	EHAAT Limited	DETS Limited	Dhampur International Pte. Limited	Dhampur Bio Organics Limited
Principal Activities		e-commerce business	Sale of machinery and providing services related with these machineries.	Business of importers, exporters of white crystal sugar, ethyl acetate, ethyl alcohol and yellow soybeans.	
Place of Business/ Country of Incorporation		India	India	Singapore	
Ownership interest held by the group	March 31, 2021	100%	51%	100%	100%
	March 31, 2020	100%	51%	100%	0%
Ownership interest held by non-controlling interest	March 31, 2021	0%	49%	0%	0%
	March 31, 2020	0%	49%	0%	0%

There is no significant impact of the subsidiaries having non-controlling interests on consolidated financial statement of the Company and accordingly, financial information of the subsidiaries has not been disclosed.

Note: 50 Additional Information as required under Schedule III to the Companies Act, 2013 :

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit or loss	Amount (₹ in Crore)	As % of consolidated other comprehensive income	Amount (₹ in Crore)	As % of consolidated total comprehensive income	Amount (₹ in Crore)
As at March 31, 2021	100%	1,560.06	100.00%	228.97	100.00%	8.50	100.00%	237.47
Parent								
Dhampur Sugar Mills Limited	99.29%	1,549.02	102.66%	235.07	96.94%	8.24	102.46%	243.31
Subsidiaries-Indian								
EHAAT Limited	0.01%	0.21	-0.05%	(0.12)	0.00%	-	-0.05%	(0.12)
DETS Limited	0.00%	0.02	-0.20%	(0.46)	0.00%	-	-0.19%	(0.46)
Dhampur Bio Organics Limited	0.00%	-	0.00%	-				
Subsidiaries-Foreign								
Dhampur International Pte. Ltd.	0.70%	10.80	-2.31%	-5.29	3.06%	0.26	-2.12%	(5.03)

Notes forming part of the Consolidated Financial Statement

Note: 50 Additional Information as required under Schedule III to the Companies Act, 2013 : (contd)

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit or loss	Amount (₹ in Crore)	As % of consolidated other comprehensive income	Amount (₹ in Crore)	As % of consolidated total comprehensive income	Amount (₹ in Crore)
Non- Controlling interest in subsidiary	0.00%	-	-0.10%	(0.23)	0.00%	-	-0.10%	(0.23)
As at March 31, 2020	100.00%	1,361.67	100.00%	215.63	100.00%	(7.74)	100.00%	207.89
Parent								
Dhampur Sugar Mills Limited	98.81%	1,345.45	106.08%	228.75	101.03%	(7.82)	106.28%	220.93
Subsidiaries- Indian								
EHAAT Limited	-0.01%	(0.16)	-3.32%	(7.15)	0.00%	-	-3.44%	(7.15)
DETS Limited	0.05%	0.72	-0.84%	(1.82)	0.00%	-	-0.88%	(1.82)
Subsidiaries- Foreign								
Dhampur International Pte. Ltd.	1.17%	15.89	-1.51%	(3.26)	-1.03%	0.08	-1.53%	(3.18)
Non- Controlling interest in subsidiary	-0.02%	(0.23)	-0.41%	(0.89)	0.00%	-	-0.43%	(0.89)

Note: 51 Disclosures for Non-Current Assets Held For Sale And Discontinued Operations

a. The Management of M/s E Haat Ltd., a wholly owned subsidiary, have decided to close down the operations and liquidate it. M/s E Haat Ltd. was engaged in the business of E-Commerce. The businesses of the subsidiary company were being presented as "Other Operating Segment" of the consolidated financial results till the date of last reporting. Being discontinued operations, these are no longer presented in the segment note. The associated assets and liabilities were consequently presented as held for sale in the financial statements for the year ended March 31, 2021.

b. The financial position,performance and cash flow information of the E Haat Ltd, a wholly owned subsidiary are presented below:-

Financial Position

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Assets		
Non-current Assets		
Income tax assets(net)	0.01	0.02
Total non-current assets	0.01	0.02
Current Assets		
Financial Assets -		
a) Trade Receivable	0.12	0.14
b) Cash and cash equivalents	0.05	0.07

Note: 51 Disclosures for Non-Current Assets Held For Sale And Discontinued Operations (contd)

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Other assets	0.56	1.57
Assets held for dosposal	0.21	0.21
Total current assets	**0.94**	**1.99**
Total assets	**0.95**	**2.01**
EQUITY AND LIABILITIES		
EQUITY		
Share Capital	3.77	3.77
Other equity	(3.56)	(3.94)
TOTAL EQUITY	**0.21**	**(0.17)**
LIABILITIES		
Non - current liabilities		
Total non-current liabilities	-	-
Current liabilities		
Financial liabilities :-		
a) Borrowing*	0.60	-
b) Trade Payable		
(i) Due of MSME	0.01	0.02
(ii) Due of other than MSME	0.13	2.16
c) Other Financial Liabilities		-
Other Liabilities	-	-
Total current liabilities	**0.74**	**2.18**
Total Equity and Liabilities	**0.95**	**2.01**

* Borrowing of ₹ 0.60 Crore related to loan from holding company so Net liability of company is ₹0.14 Crore.

Financial Performance

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Revenue	0.99	13.21
Expenses	1.11	21.61
Profit (Loss) before income tax	**(0.12)**	**(8.40)**
Tax Expense	-	-
Profit (Loss) from discontinued operations	**(0.12)**	**(8.40)**

Cash Flow Information

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Net cash flow from operating activities	(1.12)	(5.59)
Net cash flow from investing activities	-	0.05
Net cash flow from financing activities	1.10	(6.84)
Net Cash (outflow)/Inflow from discontinued operation	**(0.02)**	**(12.38)**

Notes forming part of the Consolidated Financial Statement

Note : 52

The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

Note : 53 Events occurring after the balance sheet date:

The COVID-19 outbreak has developed rapidly in 2020, and the macroeconomic impact of the Covid -19 pandemic was felt across the economy and business segments. Consequent to the significant opening up of the economic activity in the country, and Governments support to the sugar industry, the demand for the company's products has improved significantly as compared to that during the initial phases of Covid-19 including the lockdown period. All the business segments of the Company have substantially recovered as at year end, without any material impact.

In preparation of these financial statements, the Company has taken into account the possible impact of COVID-19, including internal and external factors known up to the date of approval of these Financials, to assess and finalise the carrying amount of its assets and liabilities. Accordingly, as of date, no material impact is anticipated in the aforesaid carrying amounts.

However, the ongoing impact of COVID-19 on our business continues to evolve and be unpredictable and may be different from that estimated. The Company will continue to closely monitor any material changes in future economic conditions and developments.

Note : 54 Events occurring after the balance sheet date:

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

Note : 55 Disclosure as per Ind AS 103 'Business Combinations'

(a) Description of Business combination

The Company's business acquisitions are accounted for under the purchase method of accounting in accordance with the IND AS's accounting guidance on the accounting for business combinations. Accordingly, the consideration paid by the Company for the businesses it purchases is allocated to the tangible and intangible assets and liabilities acquired based upon their estimated fair values as of the date of the acquisition. The excess of the purchase price over the estimated fair values of assets acquired and liabilities assumed is recorded as goodwill. Recognized goodwill pertains in part to the value of the expected synergies to be derived from combining the operations of the businesses we acquire including the value of the acquired workforce.

While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date as well as contingent consideration, where applicable, during the measurement period, which may be up to one year from the acquisition date, we may record significant adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recognized in our consolidated statements of Profit and Loss.

55.2 Summary of Acquisitions

(₹ in Crore)

Particulars	As at March 31, 2021
Consideration Paid for Acquiring Shares	1,00,000
Less :Total Assets Acquired	(34,159)
Add : Total Liabilities Acquired	11,800
Goodwill	**77,641**
Goodwill (In Crore)	**0.01**

Note : 55 Disclosure as per Ind AS 103 'Business Combinations' (contd)

(b) Acquisition related costs

The Company has not incurred any acquisition related costs for the Business Combination.

55.4 Pro Forma Financial Information

The Subisdary Company was incorporated in October 2020, and is yet to start its operations. Therefore no pro forma financial information has been given

Note : 56 Approval of Financials

The financial statements were approved for issue by the Board of Directors on April 24, 2021.

For Atul Garg & Associate
Chartered Accountants
Firm Registration No.001544C

Fiza Gupta
Partner
Membership No. 429196

Place: Kanpur
Date: April 24, 2021

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No.006711N/N500028

Neena Goel
Partner
Membership No. 057986

Place: New Delhi
Date: April 24, 2021

For and on behalf of the Board of Directors

V. K. Goel Chairman **(DIN 00075317)**	**A. K. Goel** Vice Chairman **(DIN 00076553)**	**Gaurav Goel** Managing Director **(DIN 00076111)**	**Gautam Goel** Managing Director **(DIN 00076326)**
M. P. Mehrotra Director (DIN 00016768)	**Susheel Mehrotra** CFO	**Nalin Kumar Gupta** Joint CFO	**Aparna Goel** Company Secretary

Notes

Notes

Corporate Information

Board of Directors

Shri Vijay Kumar Goel, Chairman

Shri Ashok Kumar Goel, Vice Chairman

Shri Gaurav Goel, Managing Director

Shri Gautam Goel, Managing Director

Shri Sandeep Sharma, Whole Time Director

Shri Mahesh Prasad Mehrotra, Independent Director

Shri Ashwani Kumar Gupta, Independent Director

Shri Priya Brat, Independent Director

Shri Yashwardhan Poddar, Independent Director

Shri Satpal Kumar Arora, Independent Director

Ms Nandita Chaturvedi, Independent Director

Chief Financial Officers

Shri Susheel Kumar Mehrotra, Chief Financial Officer

Shri Nalin Kumar Gupta, Joint Chief Financial Officer

Company Secretary

Ms Aparna Goel

Auditors

Joint Statutory Auditors:

M/s T R Chadha & Co LLP,
Chartered Accountants, New Delhi

Atul Garg & Associates,
Chartered Accountants, Kanpur

Internal Auditors

M/s SS Kothari Mehta & Co.,
Chartered Accountants, New Delhi

Secretarial Auditors

GSK & Associates, Company Secretaries, Kanpur

Cost Auditors

Shri S. R. Kapur, Cost Auditors, Khatauli (Muzaffarnagar)

Bankers

Punjab National Bank
Central Bank of India
Prathma U.P. Gramin Bank
UCO Bank
State Bank of India
District Co-operative Banks

Registered office

Dhampur (N.R.), District Bijnor – 246761 (U.P)

Corporate office

241, Okhla Industrial Estate, Phase–III,
New Delhi – 110020

Website

www.dhampur.com

Corporate Identification Number

L15249UP1933PLC000511

Works

Dhampur, District Bijnor (U.P)
Asmoli, District Sambhal (U.P)
Mansurpur, District Muzaffarnagar (U.P)
Rajpura, District Sambhal (U.P)
Meerganj, District Bareilly (U.P)

Registrar and Share Transfer Agents

M/s Alankit Assignments Limited
Alankit House, 4E/2 Jhandewalan Extension,
New Delhi 110055

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